

BY THE PRESIDENT OF THE PHILIPPINES

MEMORANDUM CIRCULAR NO. 33

**ENJOINING ALL MUNICIPAL MAYORS TO OBSERVE A ONE-YEAR MORATORIUM IN THE CONVERSION OF MUNICIPALITIES INTO CITIES**

**WHEREAS**, pursuant to the provisions of Section 7, 449 and 450 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, a municipality may be converted into a city provided it meets all the necessary criteria for conversion such as income, population and land area as set forth under the said Code;

**WHEREAS**, present exigencies require that, beyond the conditions of the Code, any conversion of a municipality to a higher level of local government should be contingent upon a clear manifestation of economic growth and social transformation, taking into account the general health of the local economy, present opportunities for employment, availability and access to basic urban services and facilities, such as adequate and well-maintained physical infrastructures, power, water and telecommunication services, suitable spaces and sites for business, and accessibility to other urban and growth centers, , among other acceptable criteria of development;

**WHEREAS**, the conversion of a municipality to a city should likewise seriously consider the locality's inherent opportunities on further socio-economic and commercial development, most especially in the growth of service-sector production and employment, banking, financial and investment centers, private sector investments, and public spending; in the expansion of the corresponding improvements in physical infrastructure as well as higher forms of transportation systems, such as vehicular and pedestrian traffic engineering and management; in the rise of commercial business districts and other built-up areas; in the advancement of the locality's social, entertainment and cultural amenities, and in the local capabilities to adequately address potential environmental impact and other urbanization concerns, among other indicators of urbanization;

**WHEREAS**, prior to the application of a municipality to acquire cityhood, there is likewise an imperative need for said municipality to ensure that its residents possess a minimum level of political awareness and participation in the decision-making processes that will grant said locality the legal stature of a higher form of local government;



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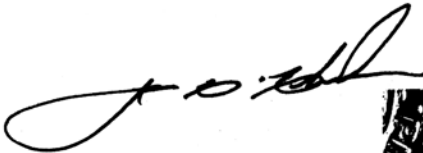
**NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order that:

**Section 1.** All municipal mayors and other municipal officials are enjoined to observe a moratorium in initiating conversion to cities for a period of one (1) year from the date of effectivity of this Memorandum Circular.

**Section 2.** The Secretaries of the Interior and Local Government, Finance and Budget and Management are instructed to constitute themselves into a Policy Group to study the pertinent provisions of law and public policy relative to the conversion of municipalities into cities. Said Group shall submit their recommendations within one (1) year from the date of issuance of this Memorandum Circular.

**Section 3.** This Memorandum Circular shall take effect immediately.

**DONE** in the City of Manila, this 17<sup>th</sup> day of JUNE  
in the year of Our Lord, Nineteen Hundred and Ninety-Nine.



By the President:



**RONALDO B. ZAMORA**  
Executive Secretary



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