

[ADMINISTRATIVE ORDER NO. 7, March 23, 2001]

PRESCRIBING RULES ON THE SUBMISSION, REVIEW AND APPROVAL OF GOVERNMENT CONTRACTS

WHEREAS, the Arroyo Administration is committed to a program of good governance;

WHEREAS, good governance requires transparency, impartiality, and accountability in government transactions;

WHEREAS, this Administration is determined to pursue the expeditious implementation of development projects;

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

SECTION 1. Every head of a department or agency shall be responsible and accountable for ensuring that all contracts entered into by the department/agency concerned are in accordance with all existing laws, rules and regulations and are consistent with the spending priorities of government.

SECTION 2. All contracts entered into by departments, bureaus, offices, and agencies of government, including government-owned or controlled corporations and their subsidiaries requiring approval by the President pursuant to existing laws, Executive Order No. 380, S. of 1989 and Memorandum Order No. 266, S. of 1989 shall be submitted to the National Economic and Development Authority (NEDA) Board for review, recommendation, and endorsement to the President for final approval and signature. The NEDA Board shall act on these contracts within a period of thirty (30) days from date of submission.

SECTION 3. In connection with Section 2 above, all contracts requiring approval by the President shall be transmitted to the NEDA Board only after the same have been completely processed by the concerned department or agency and signed by the head of such department or agency, indicating such official's prior and own approval thereof. The head of the department or agency shall further certify that the contract is in accordance with existing laws, rules and regulations.

SECTION 4. All other contracts involving the amount of Php50 million and above shall be submitted to the NEDA Board for information within seven (7) days from the date of signing by the head of the department or agency. Such contracts shall be transmitted to the NEDA Board only after the same have been completely processed by the concerned department or agency and signed by the head of such department or agency, indicating such official's approval thereof. The head of the department or agency shall further certify that the contract is in accordance with existing laws,