

**[ OP ADMINISTRATIVE ORDER NO. 24, DECEMBER  
10, 2001, December 10, 2001 ]**

**CONSOLIDATED FUNCTIONS OF THE ABOLISHED GOVERNMENT  
CORPORATE MONITORING AND COORDINATING COMMITTEE  
(GCMCC) TRANSFERRED TO THE DEPARTMENT OF FINANCE  
(DOF)**

WHEREAS, Administrative Order No. 16 abolished the GCMCC and transferred its functions to the DOF;

WHEREAS, pursuant to said A.O. No. 16, the DOF shall review, revise and consolidate, as may be appropriate, all Presidential issuances regarding the GCMCC and such consolidated functions to be performed by DOF shall be submitted to the President for approval. DCATHS

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, by virtue of the powers vested in me by law and pursuant to the recommendation of the Secretary of Finance, hereby order:

SECTION 1. Definition of Terms. —

a. Government-owned and/or Controlled Corporation (GOCC) — As used herein, a GOCC is a corporation created by special law or incorporated and organized under the Corporation Code in which government, directly or indirectly, has ownership of the majority of the capital or voting stock. Any subsidiary of a GOCC shall also be deemed a GOCC.

A Corporation, whether created by special law or incorporated and organized under the Corporation Code, where the government has majority control and which is explicitly intended under the law and government policy for ultimate transfer to private ownership under certain specified conditions, shall be considered a GOCC until it is transferred to private ownership and control.

b. Oversight Agencies. — Consist of the Department of Budget and Management (DBM), National Economic Development Authority (NEDA), Commission on Audit (COA), Bangko Sentral ng Pilipinas (BSP), Department of Finance (DOF) and the department to which GOCCs are assigned to by law.

SECTION 2. Additional Functions of the DOF. — The DOF shall, in addition to its existing functions, perform the powers and functions of the abolished GCMCC as follows:

(a) As a central coordinating monitoring and performance evaluation entity:

1. Develop guidelines for monitoring of financial and operations performance of

GOCCs and provide guidance in the preparation of corporate plans;

2. Establish a Performance Evaluation System (PES) based on relevant financial, economic and operational indicators, and performance targets in accordance with performance agreements between the GOCC and the President as recommended by the DOF;

3. In coordination with the other Oversight Agencies, maintain and update the existing Integrated Corporate Reporting System (ICRS) for GOCC reports to the Oversight Agencies to avoid duplication of reports and combine the essentials into a single set of reports. Proposals from other Oversight Agencies to amend, add or further delete reporting formats shall be coordinated with the DOF; and

4. Require GOCCs to prepare and submit regular reports and conduct periodic review and appraisal of performance.

(b) As a policy coordinating and recommending body:

1. Formulate policies, recommendations and guidelines relevant to government corporate operations including dispositive action/creation of new GOCCs/subsidiary, acquisition and dissolution of GOCCs for approval by the President;

2. Review and evaluate all proposals, recommendations and studies pertaining to the government corporate sector before submission to the President; and

3. Review and evaluate all financial aspects of proposed and existing minority investments or joint venture undertakings of GOCCs.

(c) Other functions:

1. Coordinate the classification of GOCCs with the other Oversight Agencies according to financial and sectoral groupings relative to the formulation of differential treatment of GOCCs by Oversight Agencies;

2. Recommend to the President financial sanctions, restrictions and controls on GOCCs' non-compliance with the PES and ICRS such as, but not limited to, withholding of budgetary releases; and

3. Review and evaluate conversion into equity of loans previously extended by a GOCC to a private corporation which will result in majority ownership by GOCC.

SECTION 3. The Department of Finance shall issue the necessary implementing guidelines of this Order.

SECTION 4. All orders, administrative issuances, rules and regulations or parts thereof inconsistent with this Order are hereby repealed or modified accordingly.

SECTION 5. This Administrative Order shall take effect immediately upon approval.

Adopted: 10 Dec. 2001