



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACAÑANG, MANILA

CIRCULAR LETTER

No. 2013- 17

December 23, 2013

TO : Heads of Departments, Bureaus, Offices and Agencies of the National Government, Heads of Finance Units; Budget Officers; Chief Accountants and All Others Concerned

SUBJECT : Clarifying/Updating the Documentary Requirements for Issuance of Multi-Year Obligational Authority (MYOA)

- 1.0 This Circular is issued to clarify the documentary requirements for issuance of a MYOA in the implementation of multi-year projects, pursuant to the pertinent general provision of the General Appropriations Act (GAA), i.e., GP No. 21 of RA 10352 for the FY 2013 GAA, as well as, update/modify certain provisions of existing issuances such as Circular Letter Nos. 2010-8 and 2004-12.
- 2.0 Per latest policy of the Investment Coordination Committee (ICC) and the NEDA Committee on Infrastructure, the scope of ICC review and decision shall now cover major capital projects costing **P1 billion and above per project** instead of the P500 million project cost floor. Consequently, Section 3.0 of CL 2010-8 is modified to clarify that the endorsement of the ICC Cabinet Committee for NEDA Board notation or NEDA Board approval shall be necessary for purposes of issuance of a MYOA.
- 3.0 Consistent with the Government Procurement Policy Board (GPPB) Circular No. 01-2009, an additional documentary requirement is prescribed to be submitted by the requesting agency, i.e., a certification that any procurement activity pertaining to the project to be issued a MYOA has not yet been started, as of date of request.
- 4.0 Thus, agencies shall submit the following documentary requirements for issuance of a MYOA (format per **Annex A**), as required under the pertinent issuances cited above and in accordance with the new policies/procedures provided in this Circular:
 - 4.1 Request for MYOA including a confirmation on the agency commitment - **Annex B**;
 - 4.2 Funding Strategy/Medium Term Expenditure Program – **Annex C**;

- 4.3 ICC Cabinet Committee endorsement for NEDA Board notation or NEDA Board approval for locally-funded projects costing P1 Billion and above per project and for all foreign-assisted projects (FAPs);
 - 4.4 Approved loan agreement for FAPs;
 - 4.5 Certification of the agency head that any procurement activity pertaining to the project to be covered by the MYOA has not been started yet as of date of request; and
 - 4.6 All other clearances as may be required under existing laws, policies, rules and regulations, e.g., DOST-ICTO endorsement of computerization projects; NTC clearance for acquisition of communication equipments; and other similar authorizations.
- 5.0 This Circular shall take effect immediately.

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FLORENCIO B. ABAD
Secretary



MYOA No. _____

Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT

MULTI-YEAR OBLIGATIONAL AUTHORITY

ORGANIZATIONAL DESCRIPTION/CODE:		FUND SOURCE CODE: 101 152	<input type="checkbox"/> LOCALLY FUNDED <input type="checkbox"/> FOREIGN-ASSISTED
Department:	Dept. of Budget and Management		
Agency:	Office of the Secretary		
Operating Unit:			
Organizational Code (UACS):	06 001 00 00000		

PROGRAM / PROJECT NAME:

YEAR	PARTICULARS	AMOUNT AUTHORIZED

AMOUNT IN WORDS:

NOTES:

The authority herein issued shall be used solely for the purposes indicated. Notwithstanding the issuance of this MYOA, the actual obligations to be incurred in any given fiscal year shall in no case exceed the allotment released for the said fiscal year subject to the usual budgeting, accounting and auditing rules and regulations. The amount authorized in this MYOA is subject to the condition that it is the same amount covered by ICC Cabinet Committee endorsement for NEDA Board notation or NEDA Board approval. In case of adjustments as determined by the ICC/NEDA, a revised MYOA shall be issued.

DATE OF ISSUE _____ SECRETARY OF BUDGET AND MANAGEMENT _____

Document Reference Number _____		
REQUEST FOR MULTI-YEAR OBLIGATIONAL AUTHORITY		
Organization Description/Code :		Fund Source Code:
Department: Dept. of Budget and Management	101 152	<input type="checkbox"/> Locally Funded
Agency: Office of the Secretary		<input checked="" type="checkbox"/> Foreign - Assisted E.g., Asian Dev't. Bank
Operating Unit:		
Organizational Code (UACS): 06 001 00 00000		
Type*	Program <input type="checkbox"/> 1	Project <input type="checkbox"/> 2
Program/ Project Name /Title		
Total Cost:	Duration:	Years
Note:		
Implementation Schedule (Year)	Particulars	Amount Requested
		P
Total		P

Checklist of Requirements/Submissions:

- Funding Strategy and Medium Term Expenditure Program (**Annex C** of this Circular)
- ICC Cabinet Committee endorsement for NEDA Board notation or NEDA Board approval
- Approved Loan Agreement (for FAPs)
- Certification of the agency head that procurement activity pertaining to the project to be covered by the MYOA, has not been started yet as of date of request.
- All other clearances as may be required under existing laws, policies, rules and regulation, e.g., DOST-ICTO endorsement of computerization projects; NTC clearance for acquisition of communication equipments; and other similar authorizations.
- Others, Specify _____

Certification:

As a prerequisite for the issuance of a Multi-Year Obligational Authority, we are confirming our commitment to give priority and include the annual budgetary requirements of the projects/activities specified above within our annual budgetary ceilings as may be prescribed by the DBM. Said project/activity has been approved by _____ (cite competent authority/agency, when applicable)

Date

Head of Department/Agency
Designation

*Type refers to programs/projects which require multi-year appropriations:

Type 1 - Programs which will be implemented with regular recurrence with no definite termination period.

Type 2 - Projects which will be implemented and completed within a given period of time as specified in the project profile.

Funding Strategy								
1. Proponent/Department			2. Program/Project Titles					
3. Implementing Agency			4. Total Cost:					
5. SEER (ed)?			YES <input type="checkbox"/>	NO <input type="checkbox"/>				
6. If YES, Priority Classification:			RANK:		7. If NO, Agency Classification: RANK:			
Hi	<input type="checkbox"/>	Rank: <input style="width: 100%;" type="text"/>		Hi	<input type="checkbox"/>	Rank: <input style="width: 100%;" type="text"/>		
Mid	<input type="checkbox"/>	of		Mid	<input type="checkbox"/>	of		
Low	<input type="checkbox"/>	Total No. of Programs/ Projects <input style="width: 100%;" type="text"/>		Low	<input type="checkbox"/>	Total No. of Programs/ Projects <input style="width: 100%;" type="text"/>		
8. Medium-Term Budget Program and Project Requirement								
Particulars		Allot. Class	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Program/Project:								
9. Year	10. Department	11. Agency			12. Program/Project Requirement			
					0.00			
					0.00			
		TOTAL			0.00			
13. Program/Project supports the following MFOs.								
MFO 1								
MFO 2								
MFO 3								
MFO 4								
14. Funding Sources:								
15. Year	16. Agency Budget Ceiling (In Pesos)	17. Scrap and Build		20. OTHERS (Attach separate sheet if necessary)			21. Total	
		18. From PAP/Proj.	19. Amount (In Pesos)	(Eg. Revenues)				
							-	
							-	
							-	
22. Total								
23. Other Measures/Remarks/Explanatory Notes								
24. Prepared by:					25. Endorsed by:			
_____ Chief, Budget Division Financial and Management Service, DBM					_____ Director, FMS			