



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Malacañang, Manila



CIRCULAR LETTER

No. 2010 - 8
December 30, 2010

TO : All Heads of Departments/Agencies/Heads of Finance Units; Budget Officers; Chief Accountants and All Others Concerned

SUBJECT : Modification of the Documentary Requirements for Issuance of a Multi-Year Obligational Authority (MYOA)

1.0 In contracting of multi-year projects, the existing policy provided under the General Provision (GP) of the annual General Appropriations Act (i.e., for FY 2010, GP No. 26 of RA No. 9970), states the following:

"In the implementation of multi-year projects where the total cost is not provided in this Act, agencies shall request the DBM for the issuance of a Multi-Year Obligational Authority (MYOA) following the guidelines under DBM Circular Letter (CL) No. 2004-12 dated October 27, 2004. Notwithstanding the issuance of a MYOA, the obligation to be incurred in any given calendar year, shall in no case exceed the allotment released for the purpose during said calendar year."

2.0 Section 4.2 of said CL No. 2004-12 prescribes the documentary requirements as basis for issuance by DBM of a MYOA. Specifically, **item c** of Section 4.2 requires the submission to DBM of the **approval** of the Investment Coordination Committee (ICC) /NEDA Board for Locally Funded Projects costing more than P300 million and for all foreign-assisted projects, for the purpose of issuing the MYOA.

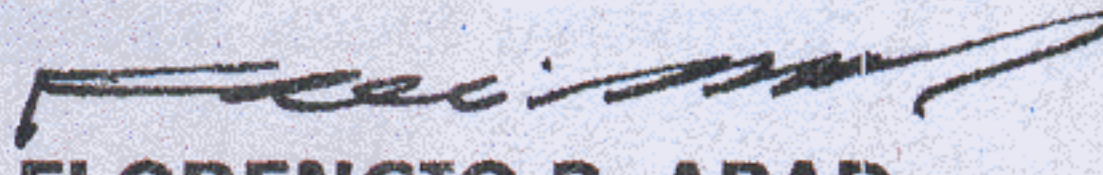
3.0 In order to speed-up the implementation of priority projects and procurement activities of the government, the above-cited requirement under the Section 4.2.c of CL No. 2004-12 is modified. In lieu of the approval of the ICC/NEDA Board, the **Project Evaluation Report** of the ICC -Technical Board shall be used as another basis in the issuance of MYOA. Thus, Section 4.2.c of CL 2004-12 is hereby amended to read, as follows:

" Section 4.2

c) Project Evaluation Report of the Investment Coordination Committee (ICC) – Technical Board for Locally Funded Projects costing more than P500 million and for all foreign-assisted projects. Upon approval of the project by the ICC – Cabinet Committee / NEDA Board, copy of said approval shall be forwarded by the agency concerned to DBM for reference."

4.0 Shown as **Annex A** is the modified format of the Request for MYOA.

5.0 This Circular shall take effect immediately.


FLORENCIO B. ABAD
Secretary

Annex A

Document Reference Number _____

REQUEST FOR MULTI-YEAR OBLIGATIONAL AUTHORITY

Department:	Code:	Fund Code:	<input type="checkbox"/> Locally Funded
Agency:	Code:		<input type="checkbox"/> Foreign Assisted
Project Type:*	<input type="checkbox"/> B <input type="checkbox"/> C		
Project Name/Title:			
Total Project Cost:	Project Duration: _____ Years		
Note:			

Project Schedule (Year)	Particulars	Amount Requested
Total		

Checklist of Requirements/Submissions:

- ☐ Funding Strategy and Medium Term Expenditure Program
- ☐ Project Evaluation Report of the Investment Coordination Committee – Technical Board
- ☐ Approved Loan Agreement (for FAPs)
- ☐ 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 the _____ (cite competent authority/agency, when applicable).

Date

Head of Department/Agency
Designation

*Project Type refers to classification of projects as defined under paragraph 3.2 (b) and (c) of this Circular.