



Republic of the Philippines
Department of Environment and Natural Resources
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OCT 08 2004

MEMORANDUM ORDER

No. 2004 -

SUBJECT : **PRESCRIBING ECONOMY MEASURES IN THE DENR**

Pursuant Presidential Administrative Order No. 103 dated 31 August 2004, directing the reduction of government expenditures, the following fiscal discipline measures are hereby prescribed:

A. USE OF ELECTRICITY

1. All air-conditioning units shall be switched on only from Monday to Friday at 9:00 A.M. All air conditioning units shall be switched off at 5:00 P.M, except in conference rooms where a meeting is on-going. Electric fans must be turned off when the air-conditioning unit has been switched on.
2. Personnel rendering overtime services during Saturdays and Holidays shall use electric fans only.
3. In offices/rooms where there are more than two air-conditioners, one unit shall be switched off once the desired room temperature is reached.
4. Lights shall be turned off from 12:00 noon to 1:00 P.M, except when a meeting is going on.
5. Electric equipment/appliances, except refrigerators, shall be turned off when not in use.
6. Computers, except the servers, shall be turned off or switched to sleep mode during lunch breaks. Use of computers for video, computer games and chats is strictly prohibited.
7. Cooking of food and sleeping overnight inside DENR offices/buildings are likewise prohibited.

B. COMMUNICATION

1. Use of communication facilities, including electronic mail facilities and radiograms, shall be optimized as a mechanism to do away with some travels to regional and field offices.
2. All offices shall maintain a logbook for recording of all long distance calls and facsimile transmissions made. The heads of office shall refer to this logbook when

preparing certifications of their calls. The same shall be used by the Telecommunications Unit and Accounting Division in collecting payments for unauthorized personal calls.

3. The use of the International Direct Dialing (IDD) and National Direct Dialing (NDD) systems shall be limited to urgent official calls and facsimile transmissions.
4. Effective 1 October 2004, subscription of postpaid Cellular Phones is hereby stopped, except those for use of the Secretary, Undersecretaries, Assistant Secretaries, Directors IV and Regional Executive Directors. In lieu thereof, Prepaid Cards shall be used, following a distribution list and schedule. Until such time that the Secretary prescribes a new list and schedule, the existing list shall continue to be adopted.
5. Direct Telephone Line shall be limited to one each office except for those that need more than one (1) line as dictated by the nature of their work. The use of local lines shall be maximized instead installing direct lines.
6. Personal NDD or mobile phone calls placed through office phones are prohibited. Employees are advised to use the call card-activated telephones in front of the Main Building.

C. USE OF WATER

1. Any leakage, dripping or wastage in water due to defective faucets or water connections shall be immediately reported to the General Services Division/Section which will immediately act on repair and proper maintenance.
2. Watering of lawns and gardens shall be done during times of the day when water is best retained by the plants. The use of water hose shall be limited to gardens where there are clusters of plants.
3. The water level of lavatory tanks shall be adjusted to save water during flushing.
4. Reminders shall be posted inside comfort rooms to encourage employees to use glass while brushing their teeth and use basin when washing dishes or rags.

D. USE OF SUPPLIES, MATERIALS AND EQUIPMENT

1. Procurement shall be done in accordance with the approved Annual Procurement Plan (APP), procurement policies and procedures. As prescribed by Government Procurement Reform Act (RA 9184) and its IRR, particularly in the use of the G-EPS for all goods and services covered.
2. Only small purchases that are urgently needed shall be procured through cash advances of the offices, subject to the existing budgeting, accounting and auditing rules and regulations. Small purchase refers to purchase of items usually consumable within a month.
3. Use of high quality papers shall be limited. Brand new papers shall be used only for communications addressed to parties outside of the DENR. Used papers shall be reused for photocopying documents or printing for internal or draft correspondence.

4. Empty printer cartridges shall be returned to the General Services Division for refilling or proper disposal. Used printer ribbons/cartridges and old newspapers that can no longer be recycled shall likewise be forwarded to the General Services Division for disposal.
5. Monthly inventory of office supplies shall be conducted to avoid overstocking. Stocks will be limited to the volume that can be consumed normally in one month.
6. Purchase of supplies without corresponding Work Order/Purchase Order, except purchases through Cash Advance, is prohibited unless strongly justified and done in accordance with the existing accounting and auditing rules and regulations.

E. USE OF MOTOR VEHICLES

1. Only one service vehicle shall be assigned to a USEC, ASEC, HEA, Service Director, Bureau Director and Assistant Director, RED, RTD, PENRO, CENRO and Project Manager. An official serving as concurrent Project Manager shall be entitled to only one vehicle.
2. Vehicles assigned to officials other than those mentioned above and those for general dispatch shall be parked at the Motor Pool area after 5:00 p.m., unless when these are covered by trip tickets and travel orders.
3. Provision for fuel, spare parts, repairs and maintenance of DENR vehicles shall be limited to vehicles that are being used for official purpose only. Motor vehicle trips shall be supported by an approved Driver's Trip Tickets and, if applicable, travel orders.
4. Vehicles shall be properly maintained in good condition to save fuel and repair costs.
5. Pooling of passengers going to the same or close-by destination is to be practiced.
6. All diesel-fueled vehicles at the Central Office and Bureaus located near the DENR (MGB, EMB, PAWB, FMB) shall use, as additive, coco methyl ester, as required under Presidential Memorandum Circular No. 55 dated 09 February 2004. While fuel withdrawal shall be from the Motorpool Biodiesel Station at the Central Office, corresponding amount for the volume consumed shall be chargeable against the respective offices.
7. The Motorpool Section and General Services Sections shall be strengthened so that in-house vehicle repairs could be undertaken. Major repairs shall require prior approval of the Undersecretary for Management and Technical Services for Central Office vehicles and approval of the RED/Bureau Director in the Regional Offices/Bureaus.

F. OVERTIME SERVICE

1. A scheme shall be adopted to allow employees who have rendered overtime services to be compensated with time/days off work, in lieu of overtime pay. This scheme shall be in accordance with applicable DBM and CSC rules.
2. Division Chiefs shall schedule overtime work of their staff.

3. Approval of overtime work to be compensated by time/days off shall be in accordance with the existing Manual of Approval.

G. TRAVEL

1. All official foreign travels are subject to the approval of the Office of the President. Only foreign travels for ministerial meetings and scholarship/training grants that will not entail cost to the government, except for pre-travel expense authorized by the Office of the President, will be allowed.
2. The Human Resource and Development Service (HRDS) shall submit a monthly report of official foreign travels undertaken to the Office of the Secretary within five working days of the succeeding month.
3. All local travels shall be suspended, except when urgently necessary. Unless specifically delegated, all travel orders of officials and employees at the Central Office shall be subject to the Secretary's approval. Necessary travels of staff of bureaus, regional offices and attached agencies shall be approved by their respective heads, in accordance with the Manual of Approval. To be authorized, the proposed travel shall be in accordance with the work program and should be limited to what is urgent and necessary.
4. The local travel of DENR Officials and employees shall be limited to not more than two employees per project visit, except those composing an investigation team.
5. The Administrative Service shall submit to the Office of the Secretary a monthly report of local travels undertaken by Central Office personnel within fifteen calendar days of the next month. In the Regional Offices, Bureaus and attached agencies, the Administrative Officers shall submit a monthly report to the Regional Executive Director (RED), Bureau Director and Head of Attached Agency, respectively. The REDs, Bureau Directors shall then submit a consolidated report to the Secretary every quarter.
6. Whenever possible, internet facilities, facsimile machines and radio shall be utilized for long distance communications to lessen cost on official travels. Regional offices and bureaus shall turn on their facsimile on automatic mode at night, during holidays and weekends to ensure receipt of urgent messages from the Central Office and other regional offices/bureaus.

H. TRAININGS, SEMINARS, AND WORKSHOPS

1. Only trainings, seminars, workshops, and similar activities that are funded by grants may be conducted. Conduct of these activities may be authorized, however, if cost may be recovered through the exaction of allowable registration/ training fees.
2. Allowable trainings, seminars or workshop shall be conducted in simple and cost effective way. The purchase of training kits, bags and T-Shirts for the use of participants shall not be allowed.
3. The HRDS and shall devise in-house trainings that may be integrated into regular office activities and will not entail additional cost to the Department.

4. The HRDS shall develop a scheme for the renting out of DENR training facilities, in accordance with applicable accounting and auditing rules and regulations. This will be submitted to the Secretary for his review and approval.

I. CELEBRATIONS AND CULTURAL/ SPORTS ACTIVITIES

1. Conduct of celebrations and cultural or sports activities not related to the core function of the Department shall be suspended.
2. Participation of the DENR in cultural and sports activities, in support of inter-agency commitments, shall be without cost to the Department. The Personnel Division shall, instead, offer non-monetary incentives for participants in these activities.

J. GRANT OF HONORARIA, NEW OR ADDITIONAL BENEFITS

1. Grant of honoraria and other forms shall be limited to the following:
 - a) lecturers, resource persons, coordinators, and facilitators in seminars, training programs, other similar activities in training institutions, including those conducted by entities for their officials and employees;
 - b) chairs and members of commissions, boards, councils, or other similar entities who are not paid salaries but compensated in the form of honoraria as provided by law, rules and regulations; and
 - c) those who are involved in government procurement in accordance with Republic Act No. 9184 and DBM Budget Circular 2004-5.
2. Grant of new or additional benefits to full-time officials and employees and officials shall be suspended, except for CNA incentives which are agreed to be given in strict compliance with the provisions of the Public Sector Labor-Management Council Resolutions No. 04, s. 2002 and No. 2, s. 2003, and those expressly provided by presidential issuance.
3. Grant of new or additional benefits, such as but not limited to per diems, honoraria, housing and miscellaneous allowances, or car plans, to non-full time officials and employees, including members of their governing boards, committees, and commissions shall be suspended.

K. HIRING OF PERSONNEL

1. The Department shall reduce by 10% the cost covering services of consultants, technical assistants, contractual, and casual employees. Hence, no hiring of persons shall be undertaken except upon clearance from the Secretary.
2. Creation of positions shall not be allowed, except through the "scrap and build" policy. Expansion of organizational units shall be matched by the deactivation of existing units of the same cost.
3. Filling of vacancies, except critical positions, that have been vacated by reason of resignation, retirement, dismissal, death or transfer to another office is prohibited, except as allowed by the Attrition Law (RA 7430, April 15, 1992), a copy of which has been published in the DENR Website. Approval of the Secretary shall be sought before deliberation on any vacancy is undertaken.

L. ORGANIZATIONAL MATTERS

1. Expansion of organizational units and/or creation of positions except those following "scrap and build" policy or matched by the deactivation of existing units/positions of the same cost shall not be allowed.
2. The cost of services for consultants, Technical Assistant, Contractual and Casual Employees shall be reduced by at least ten percent (10%), effective October 1, 2004, using the cost as of August 31, 2004 as the baseline.

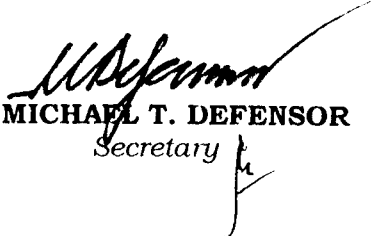
M. OTHER ECONOMY MEASURES

1. Newspaper subscriptions shall be limited to two each for the Offices of the USECs, ASECs, Bureau Directors, Regional Executive Directors and Heads of Attached Agencies, and one each for the Offices of the HEA and Directors. Only the Office of the Secretary, Public Affairs Office and the DENR Library are exempted from this limit. Subscription of magazines/journals shall no longer allowed.
2. Giving of donations, contributions, grants and gifts shall be suspended, except if these are undertaken pursuant to the mandate of the Department.
3. Paid media advertisements shall not be allowed, except those required in the issuance of agency guidelines, rules and regulations, the conduct of public bidding, and the dissemination of important public announcements.

The Undersecretaries, Assistant Secretaries, Administrative Service Director, Bureau Directors, REDs, PENROs, CENROs, Heads of Attached Agencies and other heads of offices/divisions shall strictly supervise and the implementation of this directive.

This Order takes effect immediately.

For your guidance and strict compliance.


MICHAEL T. DEFENSOR
Secretary