



Republic of the Philippines  
**DEPARTMENT of AGRARIAN REFORM**

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY TELS. 928-70-31 TO 39

DAR MEMORANDUM CIRCULAR NO. 15  
Series of 2000


**SUBJECT: REVISED RATES OF FEES AND CHARGES**

In pursuance to Executive Order no. 197 dated 13 January 2000, Executive Order no. 218 dated 15 March 2000, and DOF-DBM Joint Circular no. 2000-2 dated 04 April 2000 and in order to ensure proper and uniform fees and charges for certain administrative services rendered by the Legal Service, Records Management Division and other offices of the Department of Agrarian Reform, the following rates of fees and charges are hereby prescribed :

<u>Nature of Services</u>	<u>Amount of Fees</u>
1. Appeals or Petitions filed against Decisions or Orders of offices or agencies a quo	Php700.00
2. Authentication of every signature on any official record or document	70.00
3. Certification of every document or information based on records	35.00
4. Copy fee for every page/sheet of official records or documents	7.00

The revised rates shall become effective fifteen (15) days after the publication of this memorandum circular.

Diliman, Quezon City, December 21, 2000.

/   
HORACIO R. MORALES  
Secretary



*"Tulong-tulong sa pagsulong"*



BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 197

DIRECTING ALL DEPARTMENTS, BUREAUS, COMMISSIONS, AGENCIES, OFFICES AND INSTRUMENTALITIES OF THE NATIONAL GOVERNMENT, INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS, TO INCREASE THEIR RATES OF FEES AND CHARGES BY NOT LESS THAN 20 PERCENT

**WHEREAS**, pursuant to Sec. 54, Chapter 12, Book IV of Executive Order No. 292 (Administrative Code of 1987), heads of bureaus, offices or agencies, may, upon approval of the department head, charge and collect the cost of the services rendered by the bureau, office or agency concerned;

**WHEREAS**, it is only proper that the persons receiving the services for which the fees and charges are imposed should be made to share the burden of the expenses incurred by the government;

**WHEREAS**, despite Executive Order No. 159, series of 1994, directing all departments, bureaus, commissions, agencies and instrumentalities of the national government, including government-owned or controlled corporations, to adjust their fees and charges by just and reasonable rates sufficient to cover the full cost of services rendered, only very few agencies have complied;

**NOW, THEREFORE, I, JOSEPH E. ESTRADA**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, hereby order:

**Section 1.** All departments, bureaus, offices, agencies and units, including government-owned or controlled corporations, are hereby directed to review and upgrade their rates of fees and charges by not less than twenty percent (20%).



The revised rates shall, wherever practicable, be uniform for similar or comparable services and functions and shall be determined by the respective department heads, governing boards, or equivalent functionaries; Provided, that this Executive Order shall not apply to fees charged by the Department of Foreign Affairs for the processing of passports of Overseas Filipino Workers and other fees charged by departments, bureaus, offices, units, and agencies, including government-owned or controlled corporations, related to constitutionally mandated free or subsidized services, such as in education (government colleges and universities) and in health, as well as to those exempted by international agreements, as shall be determined by the President.

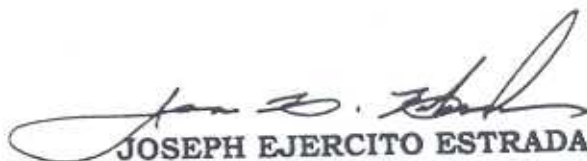
**Section 2.** The heads of departments shall be responsible for the implementation of this Executive Order by the bureaus, offices, units, and agencies, including government-owned or controlled corporations, within their respective jurisdictions.

**Section 3.** The Department of Finance and the Department of Budget and Management shall jointly promulgate the rules and regulations to implement this Executive Order and monitor compliance by agencies.

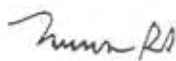
**Section 4.** All executive issuances or parts thereof which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

**Section 5.** This Executive Order shall take effect immediately.

Done in the City of Manila, this 15<sup>th</sup> day of January in the year of Our Lord, Two Thousand.

  
JOSEPH EJERCITO ESTRADA

By the President:

  
RONALDO B. ZAMORA  
Executive Secretary





MALACAÑANG  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 218

REACTIVATING THE TASK FORCE ON FEES AND CHARGES,  
EXPANDING ITS MEMBERSHIP AND FUNCTIONS AND PROVIDING  
GUIDELINES FOR THE REVIEW OF THE PROPOSED RATE  
INCREASE OF FEES AND CHARGES BY NATIONAL GOVERNMENT  
AGENCIES AND GOVERNMENT-OWNED OR CONTROLLED  
CORPORATIONS UNDER EO 197, SERIES OF 2000

**WHEREAS**, there is a need to improve revenue collection to achieve revenue targets and fund the government's socio-economic programs;

**WHEREAS**, fees and charges remain a significant source of revenue for the government;

**WHEREAS**, government fees and charges are user charges which are commensurate with the benefits received from services rendered, and persons receiving such services must share the burden of expenses incurred by the government instead of the full cost being borne by all taxpayers;

**WHEREAS**, since the cost of rendering government services or regulating certain activities has risen drastically and the government does not have sufficient resources to sustain, improve or expand these services, it is necessary that the rates of fees and charges be upgraded commensurately with the increase in the cost of their administration;

**WHEREAS**, for social considerations, health, education and other social services are generally free or subsidized by the government;

**WHEREAS**, despite the issuance of Executive Order (EO) No. 159, series of 1994, directing all departments, bureaus, commissions, agencies and instrumentalities of the national government including government-owned or controlled corporations to adjust their fees and charges by just and reasonable rates sufficient to cover at least the full cost of services rendered, only very few agencies have complied;



**WHEREAS**, EO No. 197 series of 2000 has been issued to reiterate the importance of revising the rates of fees and charges and to direct all departments, bureaus, commissions, agencies, offices and instrumentalities of the National Government, including government-owned or controlled corporations, to increase their rates of fees and charges by not less than 20 percent;

**WHEREAS**, to prevent indiscriminate and inappropriate increases in the rates of fees and charges, it is important that the Task Force on Fees and Charges be reactivated to review where necessary proposals from the agencies concerned before approval of their Department Secretaries.

**NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**Section 1. Guiding Principles.** In revising their fees and charges, all departments, bureaus, offices, units and agencies including government-owned or controlled corporations shall be guided by the universal concept of user charges, which is to recover at least the full cost of services rendered. Fees and charges have to be reviewed from time to time in accordance with such concept.

**Sec. 2. Reactivation of the Task Force on the Revision of Fees and Charges.** The Task Force on the Revision of Fees and Charges created under Administrative Order No. 255 issued on February 20, 1996 and composed of representatives of the Department of Finance (Chairman), Department of Budget and Management (Co-Chairman), Bureau of the Treasury and the National Tax Research Center is hereby reactivated with the membership expanded to include a representative from the Commission on Audit.

**Sec. 3. Functions of the Task Force.** The Task Force shall, in addition to its present function of monitoring compliance on the revision of fees and charges and the synchronization of the accounting and reporting of collections from fees and charges from agencies concerned, be responsible for the following functions:





- a. Review and recommend on a selective basis, revisions of fees and charges under EO 197, before approval of the Department Secretary or Head of Agency concerned, which function it shall perform on a continuing basis as further revisions are proposed or deemed appropriate in the future;
- b. Pass upon any request for exemptions from EO 197;
- c. Render technical assistance on the determination of cost of services rendered upon request of agencies concerned; and
- d. Provide guidelines and criteria in the determination of just and reasonable rates sufficient to recover the full cost of services rendered.

**Sec. 4. Submission of Reports by Government Agencies.** Government departments, bureaus, offices, agencies and units concerned, including government-owned or controlled corporations receiving budgetary appropriations, shall submit to the Task Force a report on the revision of rates as approved by the Department Secretary concerned not later than thirty (30) days after their approval/effectivity and to the Department of Budget and Management, together with their proposed budget, a summary of expected revenues from fees and charges, during the budgetary hearings.

**Sec. 5. Monitoring.** The Bureau of the Treasury shall closely monitor the collections of fees and charges based on remittance advices of concerned government agencies, including government-owned or controlled corporations to authorized collection agent banks.

**Sec. 6. Implementing Rules and Regulations.** The Department of Finance and the Department of Budget and Management shall jointly promulgate the rules and regulations to implement this Executive Order and monitor compliance by agencies.

**Sec. 7. Repealing Clause.** All executive issuances or parts thereof, including those specially providing for rates of fees and charges of specific government agencies which are inconsistent with any of the provisions of this Executive Order are hereby repealed or modified accordingly.

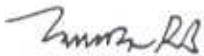


**Sec. 8. Effectivity.** This Executive Order shall take effect immediately.

**Done** in the City of Manila, this 15<sup>th</sup> day of March in the Year of our Lord Two Thousand.

  
**JOSEPH EJERCITO ESTRADA**

By the President:



**RONALDO B. ZAMORA**  
Executive Secretary



**CERTIFIED COPY:**

  
**AURORA T. AQUINO**  
Director IV  
Malacañang Records Office

3/21/20

Republic of the Philippines  
DEPARTMENT OF BUDGET AND MANAGEMENT  
DEPARTMENT OF FINANCE  
Manila



DOF-DBM JOINT CIRCULAR NO. 2000 - 2  
APRIL 4, 2000

FOR

ALL HEADS OF DEPARTMENTS, BUREAUS,  
COMMISSIONS, AGENCIES, OFFICES AND  
INSTRUMENTALITIES OF THE NATIONAL  
GOVERNMENT, INCLUDING GOVERNMENT-  
OWNED OR CONTROLLED CORPORATIONS

SUBJECT

IMPLEMENTING RULES AND REGULATIONS  
FOR EXECUTIVE ORDER NOS. 197 AND 218

1.0 PURPOSE

This Circular is issued to promulgate the rules and regulations implementing Executive Order No. 197, dated January 13, 2000, directing all departments, bureaus, commissions, agencies, offices and instrumentalities of the National Government, including government-owned or controlled corporations, to increase their rates of fees and charges by not less than twenty (20%) percent and Executive Order No. 218, dated March 15, 2000, reactivating the Task Force on Fees and Charges and providing guidelines for the review of the proposed rate increases of fees and charges under EO 197.

2.0 SCOPE

This Circular shall apply to all national government departments, bureaus, commissions, agencies, offices and instrumentalities of the National Government, including government-owned or controlled corporations rendering services to the public for a fee or charge.

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It shall not, however, apply to the following:

- 2.1 Fees and charges imposed by the Department of Foreign Affairs for the processing of passports of Overseas Filipino workers;
- 2.2 Fees and charges related to constitutionally mandated free or subsidized services charged by departments, bureaus, offices, units, and agencies, including government-owned and controlled corporations, such as in education, (government colleges and universities) and in health services to paupers; and
- 2.3 Services exempted by international agreements.

### 3.0 DEFINITION OF FEES AND CHARGES

- 3.1 Fees and charges refer to levies imposed on direct recipients of public goods and services by agencies and GOCCs in the exercise of their mandated regulatory and service delivery functions.

### 4.0 DETERMINATION OF RATES

- 4.1 The rates of fees and charges shall be revised at just and reasonable rates sufficient to recover the full costs of services rendered. The upgrading of rates shall in no case be less than twenty (20%) percent except as may be determined by the Task Force on Fees and Charges.
- 4.2 In determining the rates of fees and charges to be recommended for adoption when to recover the full cost of the services rendered, the increase is beyond 20%, the following factors shall be taken into consideration:
  - a) the direct cost of rendering the service based on current appropriation which shall include the cost of supplies and materials; salaries and wages of personnel directly involved in the service; the corresponding proportionate share in the overhead costs of the agency or department including the depreciation costs of equipment used;
  - b) the length of time the fee or charge has not been revised;
  - c) the fees and charges imposed by other national government bureaus, agencies, offices or government-owned or controlled corporations for similar or comparable services.

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4.3 The revised rates, shall, whenever practicable, be uniform for similar or comparable services and functions offered by other government entities. They shall also approximate the cost of comparable services being offered by private sector entities. Some of the criteria that can be considered to determine comparability are the value of manpower resources used; the technology adopted; and the equipment required in rendering the service.

4.4 The proposed revised rates shall, if required by the government entity's charter or where appropriate, such as when the proposed revisions are expected to have a significant social impact, be subjected to a public hearing before approval. In cases where the conduct of a public hearing is not mandated by law, this shall be upon the discretion of the Department Secretary or head of the entity concerned.

#### 5.0 APPROVAL AND EFFECTIVITY OF THE REVISED RATES

5.1 The revised rates shall be subject to the approval of the Department Secretary concerned or his equivalent. In the case of national government agencies that are not attached to a specific department or equivalent agency, the revised rates shall be approved by the highest ranking official. In the case of GOCCs, the revised rates shall be approved by their governing boards: Provided, however, that in cases where the proposed revisions are reviewed by the Task Force on Fees and Charges as provided for in item 7.4 below, the Task Force recommendations shall be taken into consideration before the revisions are approved.

5.2 The revised rates shall become effective 15 days following the completion of the public information and publication requirement under item 6.1 below. //

#### 6.0 PUBLIC INFORMATION, PUBLICATION AND IMPLEMENTATION

6.1 Upon approval of the revised rates, the national government agency or GOCC shall inform the public of such revised rates by publishing them in a newspaper of general circulation in the Philippines or by posting the schedule in a conspicuous place in their respective office premises, both at the head or central office and in all field or branch offices nationwide. Such schedule of rates shall be accompanied by a list of the services to be provided by the agency together with the frequency/time when the service is to be delivered.

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7.0 RESPONSIBILITY OF THE TASK FORCE ON FEES AND CHARGES

The Task Force on the Revision of Fees and Charges created under Administrative Order No. 255 issued on February 20, 1996 shall immediately be reactivated and reconstituted per provisions of EO No. 218 and shall have the following composition: Department of Finance (Chair), Department of Budget and Management (Co-Chair), Bureau of the Treasury, National Tax Research Center and Commission on Audit. It shall have the following additional functions:

- 7.1 Monitor compliance with EO 197 and subsequent revisions of fees and charges.
- 7.2 Provide technical assistance in upgrading the rates of fees and charges, upon request of the agency concerned.
- 7.3 Pass upon any request for exemption from EO 197 based on the following:
  - a) Present fees are already at full cost or almost at full cost so that any increase to achieve the levels of full cost recovery shall be less than the required twenty (20%) percent.
  - b) The agency has already increased its rates of fees and charges within the last twelve (12) months from the effectivity of EO 197 and the rate of increase was at least 20 percent, provided, however, that the exemption that may be granted on this basis shall cease after twelve months following said effectivity date.
  - c) Any other strong justification, such as probable significant negative impact of the mandated increase on the common good and public welfare; in such cases, the exemption shall be subject to final approval by the Secretary of Finance and Secretary of Budget and Management.
- 7.4 Review and recommend, on a continuing basis, the adjustment of the fees and charges of certain agencies, before the same are approved by the Department Secretary or Head of Agency concerned, based on the following criteria:
  - a) The agency's collections from fees and charges represent a major contribution to government revenues.
  - b) The fees collected by the agency are socially sensitive.

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- c) The fees have not been adjusted for the last five years from the effectivity of EO No. 197.
- d) The fees are ~~not intended merely to recover costs~~ but rather, or also, to fulfill a regulatory function or control a particular activity.

The National Tax Research Center (NTRC) shall head the Inter-Agency Technical Secretariat of the Task Force.

#### 8.0. REPORTING OF COMPLIANCE

- 8.1 Heads of national government agencies and GOCCs shall submit a report on the revision of rates as approved and implemented, to the Task Force on the Revision of Fees and Charges, through the National Tax Research Center (NTRC), copy furnished the Department of Budget and Management through the Budget Programming Service, not later than 30 days after its effectivity. The report shall reflect both the old and new/revised rates presented comparatively and the estimated amount of collections expected as a result of the new rates. It shall also be accompanied by the study/computation used for recovering costs of the delivery of services.
- 8.2 In submitting their annual budget proposals to the DBM, national government agencies and GOCCs shall include the estimated revenues from fees and charges, disclosing the incremental revenues from the revised rates which are proposed to be levied for the budget year.

#### 9.0 MONITORING OF COLLECTION

- 9.0 The Bureau of the Treasury shall closely monitor the collections of fees and charges remitted by various agencies. It shall prepare a quarterly report of collections based on the daily report of deposited collections submitted by authorized agent banks and compare these with the expected amount of collections submitted to the DBM. Likewise, GOCCs shall prepare a similar quarterly report of collections and submit this to the Bureau of the Treasury.

#### 10.0 REPEALING CLAUSE

All Circulars or parts thereof which are inconsistent with this Circular are hereby repealed or modified accordingly.

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11.0 EFFECTIVITY

This Circular shall take effect immediately.

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BENJAMIN E. DIKNO  
Secretary  
Department of Budget and Management

JOSE T. PARDO  
Secretary  
Department of Finance