

Presidential approval now needed for all foreign deals

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Government agencies must now seek the written consent of the Office of the President (OP) before negotiating and signing international deals, foreign loans and grants.



(Office of the President logo/ Manila Bulletin File Photo)

Malacañang issued Memorandum Circular No. 16 on the requests for presidential authorization to “enhance the coordination between and among various departments and agencies” involved in forging foreign agreements.

The order, signed by Executive Secretary Salvador Medialdea, noted that the President is the “sole organ of the country’s foreign relations and the constitutionally assigned chief architect of its foreign policy.”

“Prior to the negotiation or signing of a treaty or executive agreement as well as agreements covering borrowings, guarantees, and foreign grants, authorization must be secured by the lead agency from the Office of the President unless the DFA (Department of Foreign Affairs) or the DOF (Department of Finance) determines that the nature or scope of the agreement does not require such authorization from the OP,” the order read.

“Authorizations for the negotiation and signing of international agreements or agreements covering borrowings, guarantees and foreign grants shall be granted in writing through Full Powers, Special Authority, Letter or Memorandum signed by the President, or the Executive Secretary ‘by authority of the President,’” it added.

The government agencies must also coordinate closely with the Department of Foreign Affairs before finalizing any foreign contracts.

Under the presidential directive, all heads of departments, agencies have been ordered to strictly observe and comply with the requirements of complete staff work before requesting authorization.

To give the OP enough time to evaluate and process requests, the agencies must submit the proposal at least 10 working days before the desired date of issuance.

Presidential spokesman Ernesto Abella said the latest circular was issued amid the “massive and growing interest of foreign governments and investors in the country.” He said the OP has deemed it appropriate to issue the circular to “ensure the effective and efficient coordination among agencies.”

The order, signed last April 11, was released by the Palace this week.