

Office of the President
of the Philippines
Malacañang

MALACAÑANG RECORDS OFFICE

Manila, August 6, 2008

HON. ANGELO T. REYES
Secretary
Department of Energy
Makati City

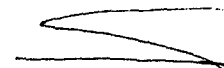
Sir :

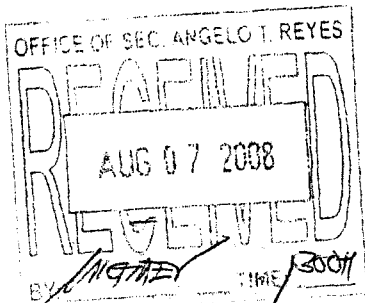
I have the honor to transmit for your information and guidance certified copies of the following Presidential Issuances:

1. Executive Order No. 744 dated July 24, 2008 entitled **"REQUIRING ALL DEPARTMENTS AND AGENCIES WITH FOREIGN ASSISTED PROJECTS COST OVERRUNS OVER 10% TO BE AUTOMATICALLY RETURNED TO THE NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY FOR EVALUATION BY THE INVESTMENT COORDINATING COUNCIL"**.
2. Memorandum Circular No. 161 dated August 4, 2008 entitled **"ENJOINING ALL CABINET MEMBERS AND HEADS OF GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS TO OBSERVE THE INTERNATIONAL HUMANITARIAN LAW DAY ON AUGUST 12, 2008 AND ACTIVELY SUPPORT AND PARTICIPATE IN THE CONDUCT OF ACTIVITIES RELATIVE THERETO"**.

For this purpose, all concerned departments shall undertake measures to disseminate the above issuances to your component units/ bureaus including agencies attached to or under your administrative supervision.

Very truly yours,


MARIANITO M. DIMASANDAL
Director IV





MALACAÑAN PALACE
MANILA

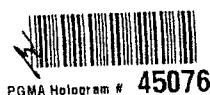
EXECUTIVE ORDER NO. 744

**REQUIRING ALL DEPARTMENTS AND AGENCIES WITH FOREIGN
ASSISTED PROJECTS COST OVERRUNS OVER 10% TO BE
AUTOMATICALLY RETURNED TO THE NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY FOR EVALUATION BY THE
INVESTMENT COORDINATING COUNCIL**

WHEREAS, Executive Order No. 230 dated 22 July 1987 provides among the powers and functions of the National Economic and Development Authority (NEDA): "The Authority, after due consultation with the private sector, community organizations and beneficiaries, local government units and appropriate public agencies, shall be responsible for coordinating the formulation of continuing, and integrated socio-economic development plans, policies and programs, including the formulation of annual and medium-term public investment programs, programming of official development assistance in the form of grants and concessional loans from foreign governments and multilateral agencies and organizations and the monitoring and evaluation of plan implementation."

WHEREAS, the guidelines and procedures of the NEDA Investment Coordinating Committee (ICC) provide that: "in case a project is cleared by the ICC prior to its appraisal by a prospective funding source and the project experiences an increase/increment of more than 10 percent in total project cost after appraisal, then the project has to undergo ICC reevaluation. The proponent should be able to explain the basis for the revised cost figures. Projects with revisions in scope in any or all of its components shall likewise undergo ICC reevaluation to the extent that this would involve a corresponding change in project cost. However, if the change in project cost and benefits have already been sufficiently captured in the earlier sensitivity analysis and the project remains viable, then reevaluation may not be necessary. Instead, ICC clearance for the cost change shall be secured."

NOW THEREFORE I, GLORIA M. ARROYO, President of the Philippines, by the powers vested in me by law, do hereby order:



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All Departments or agencies with foreign assisted projects' cost overruns over 10 percent shall be automatically returned to the Investment Coordinating Committee of the National Economic and Development Authority for re-evalautaiion.

DONE in the City of Manila on this 24th day of July in the Year of our Lord Two Thousand and **Eight**.

Gloria M. Arroyo



By the President:

Eduardo R. Ermita

EDUARDO R. ERMITA
Executive Secretary



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CERTIFIED COPY:

[Signature]
MARIANITO M. DIMAANDAL
DIRECTOR IV

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