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MEMORANDUM CIRCULAR
No. 2019- 03

TO : All Officials and Employees
DENR Central Office, Bureaus and Regional Offices
PENROs and CENROs

SUBJECT : **GUIDELINES ON THE IMPLEMENTATION OF THE NEW RATES OF EXPENSES AND ALLOWANCES FOR OFFICIAL LOCAL AND FOREIGN TRAVELS IN ACCORDANCE WITH EXECUTIVE ORDER (EO) NO. 77**

In accordance with Executive Order (EO) No. 77 dated 15 March 2019, repealing EO No. 248 (s.1995), EO No. 248-A (s.1995), EO No. 298 (s. 2004), EO No. 459 (s. 2005), EO No. 367 (s. 1989), Memorandum Circular No. 35 (s. 2017) and other presidential issuances on travel rates and regulations on official foreign and local travels inconsistent therewith, the following guidelines are hereby prescribed and adopted:

I. AUTHORIZED OFFICIAL TRAVEL

Authorized Official Travel of DENR officials and employees shall cover only those which meet the following criteria:

- 1) It is essential to the effective performance of an official or employee's mandates or functions;
- 2) It is required to meet the needs of the department, agency, bureau or office, or there is substantial benefit to be derived by the State;
- 3) The presence of the official or employee is critical to the outcome of the meeting, conference, seminar, consultation or any official activity to be attended; and
- 4) The projected expenses are not excessive or involve minimum expenditure.

A. Official Local Travel of Government Personnel

1. Approval of Official Local Travels

The approval of official local travels shall be based on the Manual of Authorities on Human Resources Development and Administrative Matters under Department Administrative Order (DAO) No. 2014-03 dated March 26, 2014 or as amended.

2. Travel Beyond the 50-Kilometer Radius from the Permanent Official Station

(a) Transportation Expenses and Miscellaneous Expenses

The allowable transportation expenses and reasonable miscellaneous expenses (e.g. terminal fees, parking fees, road tolls, etc.) from the permanent official station¹ to the destination or place of assignment shall cover the following areas:

- From the office or residence to the point of embarkation and vice versa;

¹ **Permanent Official Station** - the place where the office or regular place of business/work of an official or employee is permanently located and where the official or employee is permanently located and where the official or employee is expected to stay most of the time as required by the nature and the duties and responsibilities of the position of such official or employee.

- From the point of embarkation to the point of disembarkation in the place of destination, and vice versa; and
- From the point of disembarkation to the office of destination or place of assignment in the field and vice versa.

- (i) The transportation expenses and reasonable miscellaneous expenses shall be in addition to the daily travel expenses (DTE);
- (ii) Where government vehicle was used, personnel concerned shall not be entitled to transportation expenses² for the entire trip or portion of such trip.
- (iii) If a private vehicle is used, no reimbursement of the cost of gasoline and fuel shall be allowed. The official or employee concerned, however is entitled to the equivalent cost of the customary mode of transportation.

(b) Daily Travel Expenses (DTE)³

- (i) Claims for payment of DTE as provided below shall not require presentation of bills and receipts.
- (ii) The maximum allowable DTE of government personnel **regardless of rank and position**, shall be at the following rates:

Destination		Maximum DTE
Cluster I	Region I Region II Region III Region V Region VIII Region IX Region XII Region XIII ARMM	P 1,500
Cluster II	Cordillera Administrative Region (CAR) Region VI Region VII Region X Region XI	P 1,800
Cluster III	National Capital Region Region IV-A Region IV-B	P 2,200

(c) Apportioned Travel Expenses

The allowable DTE for travel beyond the 50-kilometer radius from the permanent official station shall be based on the following apportionment:

Particulars	Percentage	To Cover
Day of arrival at point of destination (regardless of time) and succeeding day/s thereof on official business	100%	Hotel/lodging (50%), Meals (30%), and Incidental Expenses (20%)
Day of departure for permanent official station (regardless of time) if other than date of arrival	50%	Meals (30%) and Incidental Expenses (20%)

² **Transportation Expenses** - the actual fares of the authorized modes of transportation (e.g. land, sea and air) for local and foreign travels from the permanent official station to the destination or place of assignment and back.

³ **Daily Travel Expenses (DTE)** - the amounts authorized to cover expenses for local travel, which consist of (i) costs for hotel accommodation or lodging, including the prescribed taxes and service charges, (ii) meals, and (iii) incidental expenses, including cost for local or inland transportation and reasonable miscellaneous expenses at the place of assignment.

(d) Travel Expenses in Excess of Authorized Travel Rates

Claims for reimbursement of actual accommodation expenses (excluding expenses for valets, room attendants, laundry, pressing, haircuts, and similar services furnished by hotels) in excess of the accommodation component of the DTE may be allowed, but in no case shall the difference exceed 100% of such component of the prescribed DTE rate and only upon:

- (i) Submission of certification by the Secretary or his duly-authorized and designated representative as absolutely necessary in the performance of an assignment; and
- (ii) Presentation of bills and receipts. A certification or affidavit of loss shall not be considered as appropriate replacement for lost bills and receipts.

(e) Precluding Double Payment of Travel Expenses

To prevent double payment of travel expenses, the corresponding portion of the DTE shall not be allowed:

- (i) when the fare paid for transportation includes meals and/or quarters en route; or
- (ii) where meals and/or lodging are paid for or furnished by the government or other parties. (e.g. During seminars and workshops with free meals and accommodation, drivers or any government personnel regardless of rank and position shall not be allowed to claim the corresponding portion of the DTE/travelling allowance.)

3. Travel Within the 50-Kilometer Radius from the Permanent Official Station

For official travel to destinations within the 50-kilometer radius from the permanent official station, the actual transportation expenses and DTE not exceeding the rates provided therein, may be authorized, provided that:

- (a) The personnel concerned shall stay in the place of assignment and does not commute daily from the place of assignment to the place of residence or permanent official station and back.
- (b) The claim for hotel/lodging expense shall be substantiated by a hotel bill or invoice to prove that the official or employee stayed in the place of assignment for the whole duration of the official travel.
- (c) Personnel on official travel who commute daily from the place of assignment to the place of residence or permanent official station shall be allowed the following expenses:
 - (i) Actual fare at the prevailing rates of authorized modes of transportation from the permanent official station to the place of assignment and back;
 - (ii) Meals in the amount not exceeding the thirty percent (30%) of the authorized meal component of the DTE
- (d) Presentation of transportation ticket or any equivalent document shall be required as proof of actual travel undertaken.

4. Mode of Transportation and Type of Accommodation

- (a) The mode of transportation and the type of hotel/lodging to be availed shall be, in all cases, the most economical and efficient.

(i) For domestic air travel, only Economy Flights shall be allowed for all officials and employees regardless of rank and position.

(b) As a general rule, only the ordinary public conveyance or customary modes of transportation shall be used. The use of chartered trips, special hires of public utilities, garage cars, water vessels and other extraordinary means of transportation shall not be allowed unless justified by the prevailing circumstances, such as but not limited to:

- (i) Carrying large amounts of cash;
- (ii) Bulky equipment and important documents;
- (iii) Inclement weather;
- (iv) Accompanying dignitaries or high level government officials; or
- (v) When time is of the essence.

B. Official Foreign Travel of Government Personnel

1. Types/Categories of Foreign Travels:

- (a) International conferences or meetings to which the Philippine government has commitments or to undertake official missions/ assignments which cannot be assigned to government officials posted abroad;
- (b) Scholarships, fellowships, trainings and studies abroad which are grant-funded or undertaken at minimal cost to NGAs;
- (c) Invitations for speaking engagements or receiving of awards from foreign governments/institutions or international agencies/organizations as defined under international law, whether fully or partially funded by the government, upon the endorsement of the DFA.

2. Approval of Official Foreign Travel

In case of trips involving delegations, the authorized approving authority shall ensure that the number of participants is kept to the barest minimum and the role of each member in the delegation is clearly specified and justified in the travel application or proposal.

The approval of Travel Authority for official foreign travels and the payment of travel expenses shall be based on the Manual of Authorities on Human Resources Development and Administrative Matters, taking into consideration the following:

Official or Employee	Length of Travel	Approving Authority
Secretary	Regardless of the length of travel and the number of delegates	Office of the President (OP)
Government Personnel	Regardless of the length of travel and the number of delegates	The Secretary

3. Pre-Departure Expenses and Return Trip Fees

- (a) Pre-departure expenses not exceeding P3,500.00 shall be allowed to cover miscellaneous expenses for taxicab fare, passport processing, immunization and medical laboratory fees, photographs, portage, airport terminal fees, if any, and other related expenses.
- (b) Reimbursement of airport terminal fees imposed at the point/s of embarkation on the return trip to the Philippines, if any, shall be allowed upon completion of the official trip.

4. Transportation Expenses

In case the officials and employees authorized to travel abroad shall not be provided with transportation by the host country or sponsoring organization, they shall be allowed transportation expenses for the economy class only.

For long-haul trips of authorized DENR officials such as the Secretary, Undersecretaries, Assistant Secretaries and those of equivalent ranks, described as flights exceeding four (4) hours without counting lay-overs, business class airfares may be authorized, subject to approval of the OP.

5. Clothing Allowance

- (a) Regardless of the nature of travel, clothing allowance shall be granted to personnel on foreign travel in tropical or temperate countries, if the travel will last for more than one (1) month. Provided, however, that the clothing allowance in connection with **study trips** to tropical countries **shall not exceed US \$300.00**.

(i) For Travel Period Coinciding with the Summer & Spring Seasons	Pro-Rated Amount
More than one (1) month but less than three (3) months	US \$200.00
Three (3) months and more but less than six (6) months	US \$300.00
Six (6) months and more	US \$400.00

Regardless of the nature of travel, the clothing allowance for travel to temperate countries shall be granted as follows:

(ii) For Travel Period Coinciding with the Autumn or Winter Seasons	Pro-Rated Amount
Two (2) weeks or less	US \$200.00
More than two (2) weeks but less than one (1) month	US \$300.00
One (1) month and more	US \$400.00

- (b) Clothing allowance shall no longer be granted to grantees provided by donor institutions with clothing allowance at rates equal to or higher than those indicated above.
- (c) When the clothing allowance granted by the donor is less than the rates indicated above, the personnel concerned may be given the difference.
- (d) The clothing allowance may be granted more than once in every 24 months but should not exceed US\$400.00 within a twenty four (24)-month period.
- (e) In case the travel dates span two seasons or coincide with the change of seasons, the prescribed rates of clothing allowance shall be based on the season corresponding to the most number of days of authorized stay.
- (f) Applicable rate of clothing allowance shall be based on the season officially declared by the authorized agency in the country of destination.

6. Daily Subsistence Allowance (DSA)⁴

- (a) Those who travel abroad shall be granted the DSA based on the daily rates established by the International Civil Service Commission (ICSC) of the United Nations which may be accessed at www.undp.org.ph or at www.dfa.gov.ph of the Department of Foreign Affairs (DFA).

⁴ **Daily Subsistence Allowance (DSA)** - the cost to cover expenses for foreign travel which includes costs for hotel accommodation or lodging, meals and incidental expenses

When the country of destination is not listed therein, the DSA for the nearest country shall be adopted. When the city of destination is not listed therein, the "elsewhere" rate established for the country shall be adopted.

- (b) The DSA shall only start upon arrival at the country of destination and shall cease upon departure therefrom, at the following percentages:

Particulars	Percentage	To cover
Day of arrival at point of destination (regardless of time) and succeeding day/s thereof on official business	100%	Hotel/Lodging (50%), Meals (30%), and Incidental Expenses (20%)
Day of departure for permanent official station (regardless of time) if other than date of arrival	50%	Meals (30%) and Incidental Expenses (20%)

- (i) If hotel/lodging, meals and incidental expenses are provided by the host country or donor institution, the DSA shall not be allowed.
- (ii) Claims for payment of DSA as provided under (6a) and (6b) above shall not require presentation of bills and receipts.
- (iii) Claims for reimbursement of actual accommodation expenses in excess of the accommodation component of the DSA may be allowed, but
- In no case shall the difference exceed thirty percent (30%) of such component of the prescribed DSA rate;
 - Only upon certification by the Secretary as absolutely necessary in the performance of an assignment; and
 - Upon presentation of bills and receipts. An affidavit of loss shall not be considered as appropriate replacement for the required bills and receipts.

7. Payment of DSA Differential

- (a) Where personnel on travel abroad, to attend international conferences or meetings or to undertake official missions or assignments, are provided by the host government with DSA and allowances lower than those prescribed under Section 6 above, such personnel shall only be entitled to the difference.

- (b) Personnel on scholarships, fellowships, trainings, workshops and study grants abroad shall not be allowed payment of DSA differentials.

8. Reimbursement of Representation Expenses

The following officials who are authorized to attend international conferences or meetings or undertake official missions or assignments in the exigency of the service, may be entitled to reimbursement of actual reasonable representation expenses (justified by circumstances and in conformity with generally accepted customs, usages and practices), not exceeding the following rates based on justifications presented and upon presentation of bills and receipts:

Officials/Government Personnel	Maximum Reimbursable Representation Expenses
Secretary	US \$ 1,000.00
*Undersecretaries and those of equivalent rank	US \$ 700.00
*Assistant Secretaries and those of equivalent rank	US \$ 500.00
*Lower than Assistant Secretary level	US \$ 300.00

* If designated as head of the delegation

The following shall not be allowed reimbursement of representation expenses:

- (i) Officials on travel abroad for speaking engagements;
- (ii) Officials on travel for scholarships, fellowships, trainings, workshops and studies; and
- (iii) Those whose travels are fully funded by donors or sponsoring organizations

9. Insurance

Personnel on foreign travel may be entitled to travel insurance at the minimum amount required by the country of destination, depending on the duration of the official travel or a travel coverage of P 500,000.00 if there is no minimum coverage set by the country.

II. MISCELLANEOUS PROVISIONS

A. Prohibition against Junkets of Government Officials and Employees

All forms of travel junkets shall be strictly prohibited.

1. The conduct of strategic planning workshops or team building activities abroad shall not be allowed.
2. The taking of a personal leave immediately before or after the official activity is highly discouraged.
3. If travel circumstances, such as the nature of activity, purpose and itinerary, indicate that the trip is mainly intended for personal purposes, no part thereof shall be considered as official.

B. Travel in Connection with Official Duties Paid for by a Private Source

1. Official foreign trips partially or fully sponsored or funded by private corporations or private individuals shall be fully disclosed.
2. No official or personal travel of government officials and employees shall be funded directly or indirectly, fully or partially by private individuals, including suppliers or contractors, with pending request/s or application/s or future dealings with the department, bureau or office concerned. This prohibition applies to invitations to travel purportedly to undertake study or assessment of the proponent's capabilities as such contractors or suppliers.

III. RENDITION OF ACCOUNT ON CASH ADVANCES, REPORTORIAL REQUIREMENTS AND SANCTIONS

Funds for local and foreign travels shall be charged against the appropriation for travelling expenses of each respective office in the annual agency budgets.

A. On Foreign Travel

1. Within two (2) calendar months after the return of an official or employee to the Philippines, the official or employee shall render an account of the cash advance received in accordance with existing applicable COA rules and regulations.
2. No foreign travels with government funding shall be allowed for those who have not liquidated their expenses for previous government-funded travels abroad.
3. Refund of excess cash advance may be made either in US dollars or in Philippine currency computed at the prevailing bank rate at the day of refund.
4. In case of participation in an international conference or convention in which the Philippines is represented by a delegation, a report shall be submitted to the OP copy furnished the Secretary of the DFA not later than one (1) calendar month after the closing of the conference or convention. Any member of the delegation may also submit a supplementary report.

B. On Local Travel

Within one (1) calendar month upon return to permanent official station:

1. An official or employee shall render an account of the cash advance received in accordance with existing applicable COA rules and regulations.
2. A report shall also be submitted with recommendations, if any on the conference or seminar attended, examination or investigation conducted or mission undertaken.

This Circular takes effect immediately and revokes all other issuances inconsistent herewith.

ROY A. CIMATU
Secretary

