

**XII. DEPARTMENT OF FOREIGN AFFAIRS**

**A. OFFICE OF THE SECRETARY**

**STRATEGIC OBJECTIVES**

**MANDATE**

The Department of Foreign Affairs (DFA) advises and assists the President in planning, organizing, directing, coordinating, integrating and evaluating the total national effort in the field of foreign relations in pursuit of its Constitutional mandate.

**VISION**

To advance the interests of the Philippines and the Filipino people in the world community

**MISSION**

The Department of Foreign Affairs is the prime agency of government responsible for the pursuit of the state's foreign policy and the nerve center for a foreign service worthy of the trust and pride of every Filipino. It is an organization of competent, dedicated and highly motivated personnel, who devote their energies to the benefit of the Filipino people. It implements foreign policy with the highest standards of professionalism and commitment. It pursues bilateral, regional and multilateral relations to advance the interests of the Philippines and the Filipinos. It builds partnerships with national security and development agencies, think-tanks and the academe, the private sector, the media and civil society in the interest of the nation and the people. It endeavors to promote regional and global cooperation in order to achieve peace, prosperity and stability. In the global arena, it works for social justice especially for the poor, human rights and fundamental freedoms, and a democratic way of life. It is committed to secure a world free from serious environmental degradation, transnational crime and proliferation of nuclear weapons. Its missions abroad are the partners of Filipinos overseas in the pursuit of the national interest and in the promotion and protection of their rights and well-being. It has highly responsive system, which ensures effective delivery of services. Its personnel are its greatest asset. It is committed to the personal, professional and career development of each employee. In pursuit of its goals, it strives for and live by the principles of excellence, integrity and patriotism.

**KEY RESULT AREAS**

Just and lasting peace and the rule of law

**SECTOR OUTCOME**

Advancing Philippine Interests in the International Community

**ORGANIZATIONAL OUTCOME**

1. Preservation and Enhancement of National Security in the Domestic and International Arena
2. Promotion and Attainment of Economic Security in the Domestic and International Arena
3. Promotion and Protection of the Welfare and Interests of Filipinos Overseas

**New Appropriations, by Program/Project**

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Current Operating Expenditure

PROGRAM(S)		Current Operating Expenditure				Total
		Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	
100000000	General Administration and Support	P 326,184,000	P 645,507,000		P 1,158,059,000	P 2,129,750,000
200000000	Support to Operations	52,419,000	33,784,000			86,203,000

300000000 Operations	5,188,201,000	4,622,570,000	14,884,000	24,892,000	9,850,547,000
MFO 1: Foreign Policy Services	139,516,000	466,617,000		261,000	606,394,000
MFO 2: Diplomatic and Consular Services	5,048,685,000	4,155,953,000	14,884,000	24,631,000	9,244,153,000
Total, Program(s)	5,566,804,000	5,301,861,000	14,884,000	1,182,951,000	12,066,500,000
TOTAL NEW APPROPRIATIONS	P 5,566,804,000	P 5,301,861,000	P 14,884,000	P 1,182,951,000	P 12,066,500,000

New Appropriations, by Central/Regional Allocation

Current Operating Expenditure

REGION	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlays	Total
Regional Allocation	P 5,566,804,000	P 5,301,861,000	P 14,884,000	P 1,182,951,000	P 12,066,500,000
National Capital Region (NCR)	5,566,804,000	5,301,861,000	14,884,000	1,182,951,000	12,066,500,000
TOTAL NEW APPROPRIATIONS	P 5,566,804,000	P 5,301,861,000	P 14,884,000	P 1,182,951,000	P 12,066,500,000

Special Provision(s)

1. Receipts and Income. All income received by any office, agency, or entity, whether public or private, performing consular functions and activities, including fees and charges collected by foreign service posts as well as rental income of DFA facilities, and proceeds from sale of used motor vehicles in foreign posts shall be duly recorded as income of the General Fund: PROVIDED, That such amount collected in foreign currency may be retained as a working fund: PROVIDED, FURTHER, That a maximum of fifty percent (50%) of the income collected by honorary consulates may be retained to reimburse their administrative expenses.

The total amount of income retained and the subsequent allotments to be released for foreign service posts, which includes honorary consulates, shall not exceed the appropriations authorized for the purpose.

The DFA shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the financial and physical list of properties acquired or renovated chargeable against said fund. The Secretary of Foreign Affairs and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DFA.

2. Passport Revolving Fund. The amount of Three Hundred Eighty Seven Million Six Hundred Forty Three Thousand Pesos (P387,643,000) shall be sourced from the service fee of not more than Two Hundred Fifty Pesos (P250) collected for services rendered in the processing and issuance of passports requiring: (i) special consideration; and (ii) waiver or issuance beyond regular office hours. Said amount shall be used to improve the passporting and consular services and other services of the DFA in accordance with R.A. No. 8239, and for the implementation of e-passport: PROVIDED, That in no case shall said fund be used for the payment of travel and transportation allowances.

The DFA shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on income of, and expenditure from, this fund. The Secretary of Foreign Affairs and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DFA.

In case of failure to comply with the foregoing requirements, any disbursement in the subsequent quarters shall be void, except upon certification by the DBM and the Agency's web administrator or his/her equivalent that said report has been submitted and posted, respectively.

3. **Passport Booklets.** The amount of One Billion Nine Hundred Sixty One Million Seven Hundred Thousand Pesos (P1,961,700,000) appropriated herein for the implementation of e-passport shall be used exclusively for the purchase of three million eighteen thousand (3,018,000) passport booklets. In no case shall said amount be used for any other purpose: PROVIDED, That in case of deficiency, this amount may be augmented from the Passport Revolving Fund.

4. **Building Fund.** The amount of One Billion Thirty Five Million Seven Hundred Seventy Two Thousand Pesos (P1,035,772,000) appropriated herein shall be charged against the Building Fund, which is equivalent to twenty percent (20%) of the consular income actually collected and realized in FY 2012, as certified by the BTr.

The Building Fund shall be used for the following purposes: (i) acquisition of new properties abroad for chanceries and residences, as well as office space for consular offices through direct purchase or lease-purchase agreements; and (ii) renovation of deteriorating government-owned consular offices, and chanceries and residences of the Philippine Foreign Service: PROVIDED, That in the use of the Building Fund, priority shall be given to the acquisition of properties abroad: PROVIDED, FURTHER, That in the renovation of consular offices, chanceries and residences of the Philippine Foreign Service, priority shall be given to those already owned by the Philippine Government: PROVIDED, FINALLY, That the DFA shall consider its previously committed undertakings and the available balance of the Building Fund in programming its funding commitments or requirements for the current year.

Releases from said Fund shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

The DFA shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the financial and physical accomplishments of this fund, including the list of properties acquired, repaired, or renovated. The Secretary of Foreign Affairs and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DFA.

5. **Authority to Dispose Existing Properties in Foreign Posts to Acquire New Properties.** Subject to applicable laws and budgetary rules and regulations, the Secretary of Foreign Affairs is authorized to dispose existing properties in foreign posts, through sale, exchange, or swap, or any other acceptable arrangement, in order to acquire new properties appropriate to the prevailing requirements of the said posts, in accordance with the guidelines to be issued by the Privatization Council, and as authorized by the President of the Philippines.

6. **Use of Insurance Proceeds.** Notwithstanding any provision of law to the contrary, the Secretary of Foreign Affairs is authorized to retain and use the proceeds of insurance claims for properties in foreign posts, which shall be treated as trust receipts, to cover replacement and/or restoration of insured properties abroad.

The DFA shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on the list and amount of insurance claims and utilization of its proceeds. The Secretary of Foreign Affairs and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the DFA.

7. **Rentals of Philippine Chanceries, Consular Offices and Embassy Residences.** The DFA is authorized to use its appropriations for MOOE to pay advance rentals of Philippine chanceries, consular offices, residences, and other government-furnished quarters abroad covering a lease period not exceeding five (5) years, and to make minor renovations therein suitable for the use of the Department as the circumstances and the practice of the foreign country may require.

Where furnished government-owned or leased quarters are available, no living quarters allowance shall be paid to persons occupying such quarters: PROVIDED, That the cost of utilities, maintenance and minor alterations and repair including costs of furniture, fixtures and household equipment and appliances, if necessary, shall be charged out of appropriations for living quarters allowance.

8. **Provision for Adequate Office Space.** Diplomatic missions and consular establishments shall furnish adequate office space, including provisions for supplies and materials, to duly accredited attaches or representatives of the various departments or other government agencies assigned or attached thereto: PROVIDED, That the agencies concerned may contribute to the cost expended by the DFA for the use of the said office space, utilities, and supplies and materials: PROVIDED, FURTHER, That any such contribution received by the DFA shall be deposited with the National Treasury as income of the General Fund pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292.

9. **Benefits for Alien Employees.** The appropriations authorized for the hiring of alien and/or casual employees may be utilized for payment of gratuity or separation pay to alien employees in the foreign service in accordance with local laws. Such payment may include terminal leave and employer's share in the contribution to the social security or workmen's compensation which the alien is entitled when employed by his or her own government or which are customary to be paid in the diplomatic or consular jurisdiction.

10. Overseas Absentee Voting. The amount of Forty Three Million Four Hundred Fourteen Thousand Pesos (P43,414,000) appropriated herein for the Overseas Absentee Voting Act shall be used exclusively for the implementation of R.A. No. 9189, including the conduct of continuing registration, information campaign and development, and maintenance of databases: PROVIDED, That in no case shall said amount be used for the creation of new positions or the purchase of motor vehicles.

11. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Contribution to the protection of Philippine territorial integrity and national sovereignty
2. Strengthening of economic diplomacy coordination within and outside DFA
3. Strengthening of the delivery of frontline services to overseas Filipinos in terms of assistance to nationals and legal assistance
4. Delivery of fast, accessible, citizen-oriented and efficient consular services for Filipinos at home and abroad

MAJOR FINAL OUTPUTS (MFO) / PERFORMANCE INDICATORS

Targets

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MFO 1: FOREIGN POLICY SERVICES

Number of policies developed and issued or updated and disseminated	3,200
Percentage of stakeholders who rate foreign policies as good or better	90%
Percentage of policies that are reviewed, updated and disseminated in the last three years	90%

MFO 2: DIPLOMATIC AND CONSULAR SERVICES

Number of consular and legal documents issued	3,418,000
Percentage of clients that rate the services as good or better	90%
Percentage of consular and legal documents issued within the prescribed period	100%
Number of overseas Filipinos assisted	20,000
Percentage of Filipinos assisted who rate the DFA assistance as good or better	90%
Percentage of requests for assistance responded to within the prescribed period	100%