Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH **CONGRESS**
First Regular Session

House Bill No. 1974

INTRODUCED BY HONORABLE ANTONIO V. CUENCO

EXPLANATORY NOTE

The present global environment and the new challenges of the 21st century dictate a pro-active foreign policy implemented by a highly responsive organization and competent, dedicated and highly motivated Career Foreign Service personnel. Moreover, the increasing number of Filipinos overseas necessitates that the Philippine Government render effective assistance and services even to the far flung and remotest parts of the world where Filipinos reside. On the national level, the economic and political imperatives require bolder but deliberate measures and a more active pursuit of Philippine economic and political interests in foreign countries.

The above-mentioned factors provide a compelling rationale for the revision of R.A. No. 7157, otherwise known as the *Philippine Foreign Service Act of 1991*. The proposed revisions of the existing law are meant to strengthen the Department of Foreign Affairs and its Career Service. They are also reflective of the strong desire of the Department personnel themselves to evolve into a professional, effective and committed Service, to improve systems and institute mechanisms to make the Service more responsive to domestic and international developments.

To attain the aforementioned objectives, the bill provides, among others, the following:

- Underscores a professional and responsive Career Foreign Service in the Declaration of Policy
- Gives due recognition and importance, among others, to developing a country-team system and to promoting gender sensitivity in the pursuit of foreign policy
- Defines the mission of the Department, the role of the Secretary, and the role of the Department's regional offices
- Provides for four (4) Undersecretaries and seventeen (18) principal offices
- Establishes new entities such as that of the Inspector General, the Policy Advisory Board, the Family Liaison Unit and a Grievance Mechanism
- Introduces a new category of personnel, the home service personnel, who will be permanently based in the Home Office in Manila and not subject to rotation
- Institutionalizes the one country team approach in the implementation of the country's foreign relations at the bilateral, regional and multilateral levels.
- Defines the Department's performance evaluation system and promotion policy
- Attempts to address the financial requirements of Department personnel by providing a comprehensive compensation and benefits plan

- Provides for a contingency fund to cover foreign exchange differentials and a Building Fund for the Home Office and foreign service establishments.

In view of the foregoing considerations and the crucial role of the Department and the Career Foreign Service in the attainment of our country's development objectives and national security goals, the approval of this bill is earnestly sought.

ANTONIO V. CUENCO
Representative
2nd District, Cebu City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

1974

HOUSE BILL NO. _____

INTRODUCED BY HON. ANTONIO V. CUENCO

AN ACT REVISING REPUBLIC ACT NO. 7157, OTHERWISE KNOWN AS THE FOREIGN SERVICE ACT OF 1991

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 1 of Republic Act No. 7157, otherwise known as the Foreign Service Act of 1991 is hereby amended to read as follows:

"SEC. 1. *Title of this Act* – This Act shall be known as " The **REVISED** Foreign Service Act of [1991] **THE PHILIPPINES**."

SEC. 2. Section 3 of the same Act is hereby amended to read as follows:

"SEC. 3. *Declaration of Policy.* – The State shall pursue an independent foreign policy, [.In its relations with other states,] **BASED ON** the paramount consideration**S** [shall be] **OF** national sovereignty, territorial integrity, **AND** national interest [,and the right to self-determination]. **ACCORDINGLY, THE STATE SHALL MAINTAIN A PROFESSIONAL AND RESPONSIVE CAREER FOREIGN SERVICE.**"

SEC. 3. Section 4 of the same Act is hereby amended to read as follows:

"SEC. 4. *Objective.* – The [main] objective of this Act is to reorganize and strengthen the [Philippine] **DEPARTMENT OF FOREIGN AFFAIRS AND ITS** [of] Foreign Service [in order to] **BY**:

(a) [Upgrade the qualifications of the Career Foreign Service Corps and thereby enable its officers and employees to serve effectively the interests of the Republic of the Philippines abroad] **PROVIDING A FLEXIBLE AND COMPREHENSIVE FRAMEWORK FOR THE DIRECTION OF THE FOREIGN SERVICE IN ACCORDANCE WITH MODERN PRACTICES IN PUBLIC ADMINISTRATION AND INTERNATIONAL RELATIONS**;

(b) Strengthen**ING** the [capability] **STRUCTURE** of the **DEPARTMENT AND ITS** [Career] Foreign Service [Corps to] **POSTS TO** [conduct studies, analyses and evaluation of events, both domestic and international, that will serve as guidelines for achieving an independent foreign policy for the country] **ENABLE THESE TO RESPOND AND ADJUST TO THE DEMANDS OF THE INTERNATIONAL ENVIRONMENT AND THEREBY PROTECT PHILIPPINE NATIONALS AND INTERESTS OVERSEAS, AS WELL AS**

EFFECTIVELY CONTRIBUTE TO THE ACHIEVEMENT OF NATIONAL DEVELOPMENT GOALS;

(c) Ensur[e]**ING THAT THE PERSONNEL OF THE DEPARTMENT ARE** [broad representation of the Philippine society in the foreign service and, further, to ensure] **BROADLY REPRESENTATIVE OF PHILIPPINE SOCIETY, BY PROVIDING, AS MUCH AS POSSIBLE** equal opportunities in [the enlistment and recruitment of officers and employees taking into account the ethnic composition of the country] **THEIR RECRUITMENT**;

(d) [Institute improvements in] **IMPROVING** the selection and training of personnel [so that only competent persons of good moral character are recruited in the Service] **THROUGH THE ESTABLISHMENT OF A HUMAN RESOURCE DEVELOPMENT PROGRAM;**

[(e) Provide that promotions in the Service shall be on the basis of merit;]

[(f)] **(E)** [Guarantee permanence or] **PROTECTING AND STRENGTHENING PROFESSIONALISM IN THE DEPARTMENT AND GUARANTEEING** security of tenure of [the career] personnel [of the Service during good behavior and satisfactory performance of duty];

[(g)] **(F)** [Provide suitable salaries, allowances and benefits that will attract personnel from all walks of Philippine life and to appoint persons to the highest positions in the Service solely on the basis of merit and demonstrated capability in the promotion of national interests] **PROVIDING A SATISFACTORY WORKING ENVIRONMENT AND SCHEME OF COMPENSATION, INCENTIVES AND BENEFITS FOR THE PERSONNEL AND THEIR FAMILIES, TAKING INTO ACCOUNT THE UNIQUE NATURE AND REQUIREMENTS OF THE DEPARTMENT**;

[(h)] **(G)** [Provide a comprehensive and flexible framework for the administration of the foreign service consistent with modern practices in this field] **DEVELOPING A DYNAMIC COUNTRY-TEAM SYSTEM FOR THE SUCCESSFUL IMPLEMENTATION OF THE GOVERNMENT'S PROGRAMS AND PROJECTS OVERSEAS;** [and]

(H) PROMOTING GENDER SENSITIVITY, EQUALITY AND MAIN-STREAMING IN THE RECRUITMENT, TRAINING, PROMOTION AND ASSIGNMENT OF PERSONNEL; AND

(i) Consolidat[e]**ING** into one Act all provisions of the law relating to the administration of the Foreign Service.

[In pursuance of the foregoing objective, the principle of nondiscrimination with respect to sex, creed, language, ethnic identity and religion shall be strictly enforced.]"

SEC. 4. A new Section is hereby added to read as follows:

"SEC. 5. ***RESPONSIBILITIES OF THE DEPARTMENT.*** **- THE DEPARTMENT OF FOREIGN AFFAIRS IS THE LEAD AGENCY OF THE PHILIPPINE GOVERNMENT IN PROMOTING AND PROTECTING THE INTERESTS OF THE PHILIPPINES IN THE INTERNATIONAL COMMUNITY."**

SEC. 5. Section 5 of the same Act is hereby renumbered as Sec. 6 and is amended to read as follows:

"SEC. [5] 6. *Definition of Terms.* – When used in this Act, the term:

(a) "Government" means the Government of the **REPUBLIC OF THE** Philippines;

(b) "Constitution" means the 1987 Constitution of the Philippines;

(c) "President" means the President of the **REPUBLIC OF THE** Philippines;

(d) "Department" means the Department of Foreign Affairs [;] **COMPRISING THE HOME OFFICE AND THE FOREIGN SERVICE;**

(E)"HOME OFFICE" MEANS THE DEPARTMENT OF FOREIGN AFFAIRS AND ITS OFFICES IN THE PHILIPPINES ;

[(e)] **(F)** "Institute" means the Foreign Service Institute;

(G) "COMMISSION" MEANS THE COMMISSION ON FILIPINOS OVERSEAS;

[(f)] **(H)** "Secretary" means the Secretary of Foreign Affairs;

[(g)] **(I)**"Undersecretary" means **ANY ONE OF** the Undersecretar[y]**IES** of Foreign Affairs;

[(h)] **(J) "AGENCY OF THE GOVERNMENT" OR** "Government agency" means any [executive branch of the Philippine] **OF THE VARIOUS UNITS OF** Government, [or any corporation owned or controlled by the Government of the Philippines] **INCLUDING A DEPARTMENT, BUREAU, OFFICE, INSTRUMENTALITY, OR GOVERNMENT-OWNED OR -CONTROLLED CORPORATION, OR A LOCAL GOVERNMENT OR DISTINCT UNIT THEREIN;**

[(i)] **(K)** "Service" means the Foreign Service of the Philippines [which includes all officers and employees of the Department of Foreign Affairs in the home office and/or foreign service;] **INCLUDING ALL OFFICERS AND EMPLOYEES OF THE DEPARTMENT OF FOREIGN AFFAIRS.**

[(j) "Home office" means the Department of Foreign Affairs and its offices in the Philippines;]

(L) "Post" means all Philippine embassies, missions, consulates, [general] **OFFICES** and other Foreign Service establishments maintained **AND/OR SUPERVISED** by the Department of Foreign Affairs **AND THEIR AREAS OF JURISDICTION. THIS TERM ALSO COVERS THE HOME OFFICE;**

(M) "HEAD OF POST" MEANS THE HEAD OF ANY FOREIGN SERVICE ESTABLISHMENT, DIPLOMATIC OR CONSULAR.

(N) "HEAD OF MISSION" MEANS THE HEAD OF AN EMBASSY OR OTHER DIPLOMATIC MISSION OF THE PHILIPPINES;

[(l)] **(O)** "Chief of mission" means the [head of an embassy or other diplomatic missions of the Philippines,] **HIGHEST CAREER FOREIGN SERVICE RANK IN THE DEPARTMENT**

THE UNDERSECRETARY FOR MIGRANT WORKERS MAY BE APPOINTED FROM EITHER THE NON-CAREER OR CAREER CHIEFS OF MISSION TO ADVISE AND ASSIST THE SECRETARY IN THE FORMULATION AND IMPLEMENTATION OF THE DEPARTMENT'S OBJECTIVES AND POLICIES ON THE PROTECTION AND PROMOTION OF THE INTERESTS OF FILIPINO WORKERS OVERSEAS.

THE SECRETARY SHALL DEFINE THE RESPONSIBILITIES OF THE UNDERSECRETARIES.

The Secretary shall designate **AS ACTING SECRETARY** one (1) of the undersecretaries in his absence.

SEC. 9. New sections are hereby added to read as follows:

"SEC. 9. *THE INSPECTOR GENERAL*—THE SECRETARY, UPON THE RECOMMENDATION OF A SELECTION BOARD, SHALL DESIGNATE AN INSPECTOR GENERAL WHO SHALL HAVE THE RESPONSIBILITY OF INSPECTING AND AUDITING THE PERFORMANCE, THE ADMINISTRATION OF OPERATIONS, AND THE MANAGEMENT OF ALL FOREIGN SERVICE ESTABLISHMENTS AND OPERATING UNITS OF THE DEPARTMENT.

SEC. 10 *ASSISTANT SECRETARIES*—THE SECRETARY SHALL DESIGNATE FROM AMONG THE CAREER CHIEFS OF MISSION THE ASSISTANT SECRETARIES TO HEAD THE PRINCIPAL OFFICES OF THE DEPARTMENT."

SEC. 10. Section 9 is hereby renumbered as Sec. 11 and is amended to read as follows:

"[SEC. 9. *Designations of Foreign Service Officers in the Home Office*-- A chief of mission shall be designated by the Secretary as assistant secretary when assigned to head any of the eleven (11) principal offices of the Department. These offices are: Office of American Affairs; Office of Asia and Pacific Affairs; Office of European Affairs; Office of Middle East and African Affairs; Office of Administration, Protocol and Personnel Services; Office of Fiscal Management; Office of ASEAN Affairs; Office of United Nations and International Organizations; Office of Consular Affairs; Office of Legal Affairs; and Office of Policy Planning and Coordination. The Secretary is hereby authorized to review and realign periodically the principal offices of the Department in order to effectively meet the requirements of the Service.]

[The Director of the Foreign Service Institute shall also have the title of assistant secretary.]

[Chiefs of mission designated as assistant secretaries shall retain their items as chiefs of mission. The post of assistant secretary shall be reserved for career chiefs of mission: *Provided, however,* That all incumbent assistant secretaries who are non-career officials shall continue to hold office until June 30, 1992 unless sooner removed by the President. Thereafter, only career officials may be appointed assistant secretaries.]

[A career minister may be designated as executive director of an office.]

[A foreign service officer, class I, may be designated as division director.]

[A foreign service officer, class II, may be designated as assistant division director.]

[A foreign service officer, class III, may be designated as assistant division director.]

[A foreign service director, class IV, may be designated as assistant division director.]

[A foreign service officer in any class, including chiefs of mission and career ministers, may be designated as special assistant to the Secretary or the Undersecretary.]

[A foreign service officer below the rank of chief of mission may be designated as principal assistant in any office.]

[Any assignment in the home office requiring a rank higher than the actual rank of the officer assigned shall be in an acting capacity.]

SEC. 11. ***PRINCIPAL OFFICES.*** **– THE PRINCIPAL OFFICES SHALL ADVISE AND ASSIST THE SECRETARY IN PLANNING, ORGANIZING, ADMINISTERING, DIRECTING, COORDINATING, INTEGRATING AND EVALUATING THE BILATERAL, REGIONAL AND MULTILATERAL RELATIONS OF THE PHILIPPINES. THEY SHALL COORDINATE ACTIVELY WITH RELEVANT GOVERNMENT AGENCIES AND BODIES ON MATTERS CONCERNING PHILIPPINE FOREIGN RELATIONS. THESE OFFICES ARE:**

(A) **OFFICE OF ASIAN AND PACIFIC AFFAIRS I;**
(B) **OFFICE OF ASIAN AND PACIFIC AFFAIRS II;**
(C) **OFFICE OF ASEAN AFFAIRS**
(D) **OFFICE OF WEST ASIAN AND AFRICAN AFFAIRS;**
(E) **OFFICE OF EUROPEAN AFFAIRS;**
(F) **OFFICE OF AMERICAN AFFAIRS;**
(G) **OFFICE OF UNITED NATIONS AND SPECIALIZED AGENCIES;**
(H) **OFFICE OF INTERNATIONAL AND REGIONAL ORGANIZATIONS;**
(I) **OFFICE OF LEGAL AFFAIRS;**
(J) **OFFICE OF CONSULAR AFFAIRS;**
(K) **OFFICE OF ASSISTANCE TO NATIONALS;**
(L) **OFFICE OF POLICY PLANNING AND COORDINATION;**
(M) **OFFICE OF HUMAN RESOURCE MANAGEMENT AND ADMINISTRATIVE SERVICES;**
(N) **OFFICE OF FISCAL MANAGEMENT;**
(O) **OFFICE OF PROTOCOL AND CONFERENCE SERVICES;**
(P) **OFFICE OF CULTURAL AFFAIRS; AND**
(Q) **OFFICE OF PUBLIC INFORMATION AND MEDIA AFFAIRS; AND**
(R) **OFFICE OF MARITIME AND OCEAN AFFAIRS"**

SEC. 11. Section 10 of the same Act is hereby deleted.

SEC. 12. New Sections are hereby added as Sections 12, 13 and 14 to read as follows:

"SEC. 12. ***REGIONAL OFFICES.*****- THE REGIONAL OFFICES OF THE DEPARTMENT SHALL ASSIST THE PRINCIPAL OFFICES IN MANILA. THE SECRETARY SHALL DEFINE THE STAFFING AND FUNCTIONS OF EACH REGIONAL OFFICE.**

SEC. 13. ***POLICY ADVISORY BOARD-*** **THERE SHALL BE A POLICY ADVISORY BOARD, WHICH SHALL DISCUSS POLICY ISSUES AND POLICY DIRECTIONS TO BE RECOMMENDED FOR ADOPTION BY THE DEPARTMENT. IT SHALL BE COMPOSED OF ALL THE UNDERSECRETARIES, ASSISTANT SECRETARIES, AND THE DIRECTOR GENERAL OF THE FOREIGN SERVICE INSTITUTE. IT SHALL, FROM TIME TO TIME, INVITE EXPERTS FROM OTHER INSTITUTIONS IN THE FORMULATION OF POLICIES. IT SHALL BE CHAIRED BY ONE OF THE UNDERSECRETARIES.**

SEC. 14. ***THE FOREIGN SERVICE-*** **THE DEPARTMENT SHALL MAINTAIN DIPLOMATIC AND CONSULAR ESTABLISHMENTS IN FOREIGN COUNTRIES, WHICH SHALL BE RESPONSIBLE FOR THE IMPLEMENTATION OF PHILIPPINE FOREIGN POLICY AND THE PROTECTION AND PROMOTION OF NATIONAL INTEREST IN THEIR RESPECTIVE JURISDICTIONS. THESE ESTABLISHMENTS SHALL ASSIST THE SECRETARY IN FORMULATING, PLANNING, ORGANIZING AND EVALUATING POLICY IN RELATION TO THE COUNTRIES, AND THE REGIONAL AND INTERNATIONAL INSTITUTIONS AND ORGANIZATIONS TO WHICH THEY ARE ACCREDITED."**

SEC. 13. Section 12 of the same Act is hereby renumbered as Section 15 and is amended to read as follows:

"SEC. [12] 15. *Establishment of [Foreign Service Posts]* ***DIPLOMATIC MISSIONS AND CONSULAR POSTS.***—[The national interest and security shall be the paramount consideration in the establishment of embassies, missions, consulate general and other foreign service establishments maintained by the Department and the priority areas shall be in the countries where the following exist:] **THE FOLLOWING FACTORS SHALL BE CONSIDERED IN THE ESTABLISHMENT OF DIPLOMATIC MISSIONS AND CONSULAR POSTS:"**

"(a) [Extending diplomatic, financial, material, humanitarian support and other expressions of solidarity] **POLITICAL AND STRATEGIC IMPORTANCE OF SPECIFIC COUNTRIES, AND REGIONAL AND INTERNATIONAL INSTITUTIONS/ORGANIZATIONS TO THE PHILIPPINES;"**

"(b) **PROSPECT FOR** [F] favorable trade, [relations and] investments [currently exist or prospects for trade and investments are favorable] **AND OTHER ECONOMIC BENEFITS, AS WELL AS SOCIO-CULTURAL AND HUMANITARIAN CONSIDERATIONS;"**

"(c) [A considerable] [n] Number of Filipino **CITIZENS RESIDING OR WORKING IN THE COUNTRY; AND/OR DESTINATION;** and"

"(d) [Adherence to the] [p] Principle of reciprocity [and where such is extended to us]."

SEC. 14. Section 13 of the same Act is hereby deleted.

SEC. 15. A new section is hereby added to read as follows:

"SEC. 16. ***REVIEW OF THE ORGANIZATION.***—**IN ORDER TO EFFECTIVELY RESPOND TO THE REQUIREMENTS OF THE SERVICE AND UPON THE RECOMMENDATION OF THE BOARD OF FOREIGN SERVICE ADMINISTRATION OR THE POLICY ADVISORY BOARD, THE SECRETARY SHALL PERIODICALLY REVIEW, REALIGN AND RESTRUCTURE THE ORGANIZATION OF THE DEPARTMENT AND FOREIGN SERVICE ESTABLISHMENT, SUBJECT TO THE APPROVAL OF THE PRESIDENT."**

SEC. 16. A new Title III and new Sections 17, 18, 19 and 20 are hereby added to read as follows:

"TITLE III – PERSONNEL

PART A. THE STAFF ORGANIZATION

SEC. 17. *STAFF COMPLEMENT.*– THE DEPARTMENT SHALL MAINTAIN A CORPS OF COMMITTED AND COMPETENT FOREIGN SERVICE PERSONNEL COMPOSED OF THE CAREER FOREIGN SERVICE CORPS, FOREIGN SERVICE STAFF PERSONNEL AND HOME SERVICE PERSONNEL.

(A) THE CAREER FOREIGN SERVICE CORPS, CONSISTING OF FOREIGN SERVICE OFFICERS WHO PASSED THE FOREIGN SERVICE OFFICERS' EXAMINATIONS, SHALL CONSTITUTE THE CORE OF THE SERVICE AND SHALL HAVE THE FOLLOWING RANKS:

I) CHIEFS OF MISSION;
II) MINISTERS; AND
III) FOREIGN SERVICE OFFICERS I, II, III, AND IV

(B) THE FOREIGN SERVICE STAFF PERSONNEL SHALL PROVIDE ADMINISTRATIVE AND TECHNICAL SKILLS AND SERVICES AND SHALL HAVE THE FOLLOWING RANKS:

I) FOREIGN SERVICE STAFF OFFICERS I, II, III AND IV; AND
II) FOREIGN SERVICE STAFF EMPLOYEES I, II AND III.

(C) THE HOME SERVICE PERSONNEL SHALL CONSIST OF INDIVIDUALS DESIGNATED TO PERFORM SUPPORT SERVICE/FUNCTIONS IN THE HOME OFFICE TO BE SPECIFIED BY THE SECRETARY, WHICH SHALL INCLUDE ADMINISTRATIVE, FISCAL, LEGAL AND PROTOCOL SERVICES. THESE PERSONNEL ARE NOT ELIGIBLE FOR ASSIGNMENT ABROAD.

SEC. 18. *DESIGNATIONS OF FOREIGN SERVICE OFFICERS IN THE FOREIGN SERVICE* – IN THE SERVICE, FOREIGN SERVICE OFFICERS SHALL BE COMMISSIONED AS DIPLOMATIC OR CONSULAR OFFICERS, OR BOTH, AND ALL THE OFFICIAL ACTS OF THESE OFFICERS SHALL BE PERFORMED UNDER SUCH COMMISSIONS. DIPLOMATIC AND CONSULAR TITLES SHALL BE COTERMINOUS WITH THE ASSIGNMENT AT THE POST.

A CHIEF OF MISSION SHALL BE ASSIGNED AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY TO HEAD A DIPLOMATIC MISSION, OR AS DEPUTY HEAD OF MISSION OR AS CONSUL GENERAL TO HEAD A CONSULAR ESTABLISHMENT.

A MINISTER SHALL BE ASSIGNED AS MINISTER OR MINISTER COUNSELOR IN A DIPLOMATIC MISSION OR AS CONSUL GENERAL TO HEAD A CONSULAR ESTABLISHMENT.

A FOREIGN SERVICE OFFICER, CLASS I, SHALL BE ASSIGNED AS COUNSELOR IN A DIPLOMATIC MISSION OR CONSUL IN A CONSULAR ESTABLISHMENT.

A FOREIGN SERVICE OFFICER, CLASS II, SHALL BE ASSIGNED AS FIRST SECRETARY IN A DIPLOMATIC MISSION OR CONSUL IN A CONSULAR ESTABLISHMENT.

A FOREIGN SERVICE OFFICER, CLASS III, SHALL BE ASSIGNED AS SECOND SECRETARY IN A DIPLOMATIC MISSION OR VICE-CONSUL IN A CONSULAR ESTABLISHMENT.

A FOREIGN SERVICE OFFICER, CLASS IV, SHALL BE ASSIGNED AS THIRD SECRETARY IN A DIPLOMATIC MISSION OR VICE-CONSUL IN A CONSULAR ESTABLISHMENT.

IN A DIPLOMATIC POST WHERE THERE IS A CONSULAR SECTION, FOREIGN SERVICE OFFICERS MAY BE DESIGNATED AS BOTH DIPLOMATIC AND CONSULAR OFFICERS. SENIOR FOREIGN SERVICE STAFF OFFICERS, CLASS I, MAY BE DESIGNATED VICE-CONSUL IN A CONSULAR POST: *PROVIDED, THAT* THE FSSO SO DESIGNATED HAS PREVIOUSLY PERFORMED CONSULAR WORK, MAY CONTINUE TO RECEIVE THE PAY AND ALLOWANCES OF THE FSSO RANK, *PROVIDED, FURTHER,* THAT THE DESIGNATION SHALL BE COTERMINOUS WITH THE FOREIGN ASSIGNMENT.

SEC. 19. *DESIGNATIONS OF FOREIGN SERVICE OFFICERS IN THE HOME OFFICE.* – A CHIEF OF MISSION SHALL BE DESIGNATED BY THE SECRETARY AS ASSISTANT SECRETARY WHEN ASSIGNED TO HEAD ANY OF THE EIGHTEEN (18) PRINCIPAL OFFICES OF THE DEPARTMENT.

THE DIRECTOR GENERAL OF THE FOREIGN SERVICE INSTITUTE SHALL HAVE THE EQUIVALENT RANK OF UNDERSECRETARY.

CHIEFS OF MISSION DESIGNATED ASSISTANT SECRETARIES SHALL RETAIN THEIR ITEMS AS CHIEFS OF MISSION. THE POST OF ASSISTANT SECRETARY SHALL BE RESERVED FOR CAREER CHIEFS OF MISSION.

A MINISTER MAY BE DESIGNATED EXECUTIVE DIRECTOR OF AN OFFICE.

A FOREIGN SERVICE OFFICER, CLASS I, MAY BE DESIGNATED DIVISION DIRECTOR.

A FOREIGN SERVICE OFFICER, CLASS II, MAY BE DESIGNATED ASSISTANT DIVISION DIRECTOR.

A FOREIGN SERVICE OFFICER, CLASS III, MAY BE DESIGNATED ASSISTANT DIVISION DIRECTOR.

A FOREIGN SERVICE OFFICER, CLASS IV, MAY BE DESIGNATED ASSISTANT DIVISION DIRECTOR.

A FOREIGN SERVICE OFFICER IN ANY CLASS, INCLUDING CHIEFS OF MISSION AND CAREER MINISTERS, MAY BE DESIGNATED AS SPECIAL ASSISTANT OF THE SECRETARY OR THE UNDERSECRETARY.

A FOREIGN SERVICE OFFICER BELOW THE RANK OF CHIEF OF MISSION MAY BE DESIGNATED AS PRINCIPAL ASSISTANT IN ANY OFFICE.

ANY ASSIGNMENT IN THE HOME OFFICE REQUIRING A RANK HIGHER THAN THE ACTUAL RANK OF THE OFFICER ASSIGNED SHALL BE IN AN ACTING CAPACITY.

SEC. 20. ***FAMILY LIAISON UNIT.*** **– THERE SHALL BE ESTABLISHED A FAMILY LIAISON UNIT IN THE OFFICE OF HUMAN RESOURCE MANAGEMENT AND ADMINISTRATIVE SERVICES TO ASSIST FOREIGN SERVICE PERSONNEL, THEIR FAMILIES AND RETIREES IN DEALING WITH PROBLEMS RELATED TO SUCH ISSUES AS EMPLOYMENT OF SPOUSES, EDUCATION OF CHILDREN, AVAILABILITY OF ADEQUATE MEDICAL FACILITIES, PHYSICAL SECURITY AND RETIREMENT.**

SEC. 17. Section 11 of the same Act is hereby renumbered as Section 21 and is amended to read as follows:

"SEC. [11] 21. *Staffing Pattern and Appointments*—The Department shall maintain a [permanent] staffing pattern for the [h]Home [o]Office and for each post in the [f]Foreign [s] Service which shall enumerate a definite number of position items in the budget of the Department for all categories of officers and employees: Provided, That the staffing pattern may be modified by the Secretary [when necessitated by] **BECAUSE OF THE NEEDS OF VARIOUS OFFICES OR POSTS,** the opening of new posts in the [f] Foreign [s] Service or **THE CREATION OF** new offices in the [h]Home [o] Office [as may be required by a reorganization of the Department approved by the President: Provided, further, That the modification shall be incorporated in the budget.]"

" The number of appointments to all categories of positions shall strictly conform to the staffing pattern. Appointments may be made only to specific existing vacant items. **AN APPOINTMENT, TO BE VALID, MUST EXPRESSLY INDICATE THE NUMBER OF THE ITEM IN THE PLANTILLA, MUST BEAR A CERTIFICATION OF THE DEPARTMENT THAT THE ITEM TO BE FILLED IS ACTUALLY VACANT ON THE SPECIFIC DATE OF APPOINTMENT, AND MUST CLEARLY INDICATE THE DATE WHEN THE APPOINTMENT WAS SIGNED. THESE FORMALITIES APPLY TO BOTH INITIAL AND PROMOTIONAL APPOINTMENTS.** Appointments **MADE** in excess of the number of items in the budget [shall be] **ARE NULL** and void *ab initio*. [An appointment, including the appointment of a non-career officer, shall be valid only if it expressly indicates the specific number of the item in the budget. The appointment must bear the date when it was signed, and the Department must certify that the item is vacant on the specified date.]"

SEC. 18. New sections are hereby added as Sec. 22, 23 and 24 to read as follows:

"SEC. 22. ***CITIZENSHIP AND RESIDENCY RULE.*** **– NO INDIVIDUAL SHALL BE ELIGIBLE FOR APPOINTMENT TO A PERMANENT ITEM IN THE SERVICE, IN WHATEVER RANK OR CLASS, UNLESS HE IS A CITIZEN AND RESIDENT OF THE PHILIPPINES AT THE TIME OF HIS APPOINTMENT. THE APPOINTEE MUST, FOR THE DURATION OF HIS TENURE IN THE SERVICE, REMAIN A FILIPINO CITIZEN AND MAINTAIN PHILIPPINE RESIDENCY.**

SEC. 23. ***CIVIL SERVICE ELIGIBILITY*** **– NO PERSON SHALL BE APPOINTED FOREIGN SERVICE STAFF OFFICER OR FOREIGN SERVICE STAFF EMPLOYEE UNLESS HE HAS THE APPROPRIATE ELIGIBILITY RECOGNIZED BY THE CIVIL SERVICE COMMISSION:** ***PROVIDED, HOWEVER,*** **THAT PRIORITY SHALL BE GIVEN TO THOSE WHO PASSED THE EXAMINATIONS FOR FOREIGN SERVICE STAFF**

OFFICERS AND FOREIGN SERVICE STAFF EMPLOYEES CONDUCTED BY THE BOARD OF FOREIGN SERVICE EXAMINATIONS. *PROVIDED, FURTHER,* THAT THE FOREIGN SERVICE STAFF OFFICER EXAMINATIONS SHALL HAVE THE EQUIVALENT CIVIL SERVICE ELIGIBILITY COMMENSURATE WITH THE RANK FOR WHICH THE EXAMINATION IS GIVEN: *PROVIDED, FINALLY,* THAT FOREIGN SERVICE STAFF EMPLOYEES OR FOREIGN SERVICE STAFF OFFICERS WHO PASS A PROFESSIONAL EXAMINATION SUCH AS THE BAR OR THE BOARD OF ACCOUNTANCY OR SIMILAR EXAMINATION SHALL BE DEEMED TO HAVE PASSED THE EXAMINATION FOR APPOINTMENT TO THE APPROPRIATE RANK OF FOREIGN SERVICE STAFF OFFICER AND MAY BE PROMOTED SUBSEQUENTLY TO THE NEXT HIGHER RANKS.

PART B. APPOINTMENTS

SEC. 24. *RECRUITMENT OF FOREIGN SERVICE OFFICERS.* – RECRUITMENT OF FOREIGN SERVICE OFFICERS SHALL BE MADE EXCLUSIVELY THROUGH THE COMPETITIVE EXAMINATIONS CONDUCTED BY THE BOARD OF FOREIGN SERVICE EXAMINATIONS."

SEC. 19. Section 14 of the same Act is hereby renumbered as Section 25 and is amended to read as follows:

[TITLE II - APPOINTMENTS]
[Part A-Foreign Service Officers]

"SEC. [14] **25**. *[Initial] Appointment of Foreign Service Officers.* – [Consistent with the goal of developing and strengthening the Career Foreign Service Corps, recruitment into the ranks of foreign service officers shall be exclusively through open competitive examination to determine the competence, fitness and aptitude of candidates for foreign service work. No person shall be eligible for appointment as a foreign service officer unless he has passed these examinations and demonstrated his loyalty to the Republic of the Philippines and adhere to the principles of the Constitution.] The President shall [extend initial appointments of] **APPOINT** Foreign Service Officers exclusively from [the list submitted by the Secretary containing the names of] among those who pass the examinations **CITED IN THE PRECEDING SECTION, AS RECOMMENDED BY THE SECRETARY: *PROVIDED THAT,* THE APPOINTEES MUST BE AT LEAST 21 YEARS OLD AT THE TIME OF THEIR APPOINTMENT.** [Such initial appointments shall be to the lowest rank of foreign service officer, class IV. Any person who, after having passed the examinations, declines to accept an initial appointment as Foreign Service Officer within a period of one (1) year from the date he was offered the appointment shall be required to take and pass the examinations again in order to be eligible for an initial appointment] **IMMEDIATELY FOLLOWING THEIR APPOINTMENTS AS FOREIGN SERVICE OFFICERS, CLASS IV, THE INDIVIDUALS CONCERNED SHALL UNDERGO A SIX MONTH FULL-TIME CADETSHIP WHICH SHALL CONSIST OF BOTH CLASSROOM LECTURES AND PRACTICAL ON-THE-JOB TRAINING.**

[All appointments of foreign service officers shall be to a class and not to a particular post.]"

SEC. 20. Section 15 of the same Act is hereby deleted.

SEC. 21. A new section is hereby added as Sec. 26 to read as follows:

"SEC. 26. *DELAYED ENTRY* – ANY PERSON WHO, AFTER HAVING PASSED THE EXAMINATIONS, DECLINES TO ACCEPT AN INITIAL APPOINTMENT AS FOREIGN SERVICE OFFICER WITHIN A PERIOD OF THREE (3) YEARS FROM THE DATE HE WAS OFFERED THE APPOINTMENT SHALL BE REQUIRED TO TAKE AND PASS THE EXAMINATIONS AGAIN IN ORDER TO BE ELIGIBLE FOR AN APPOINTMENT."

SEC. 22. Section 18 of the same Act is hereby renumbered as Section 27 and is amended to read as follows:

"SEC. [18] **27**. *[Reinstatement]* ***REAPPOINTMENT*** *of Foreign Service Officers.* – The President may, upon recommendation of the Secretary, reappoint to the Service a former [f] Foreign [s] Service [o] Officer who ha[s]D served continuously **IN THE DEPARTMENT** for at least [two (2)] **FIVE (5)** years [in the Department], **AND** who ha[s]D been separated from the service by reason of appointment [or election] to some other position in the government service or **HAVING BEEN ELECTED TO PUBLIC OFFICE.** The same privilege shall apply to a former [f]Foreign [s]Service [o]Officer who ha[s]D been separated from the Service by reason of appointment to the United Nations or other recognized regional or international organizations and who ha[s]D served continuously in said regional or international organization at least two (2) years [up to the time of reappointment] **FROM THE TERMINATION OF HIS APPOINTMENT**. The Secretary shall, taking into consideration the qualifications and experiences of the candidate for reappointment and the rank of his contemporaries in the Service, recommend the class to which the candidate shall be re-appointed. Such reappointment shall be availed of only once [and be subject to confirmation by the Commission on Appointments]."

SEC. 23. Section 17 is hereby renumbered as Section 28 and is amended to read as follows:

"SEC. [17] **28**. *Heads of [Diplomatic and Permanent Missions]* ***MISSIONS***. – In order to strengthen the Career Foreign Service Corps and to [enable it to respond to challenges in the field of international relations] **ENSURE COMPETENT AND EFFECTIVE RESPONSE TO CHALLENGES IN THE FIELD OF FOREIGN RELATIONS AND PROMOTION OF THE NATIONAL INTEREST ABROAD,** the President shall [be guided], as much as possible, **APPOINT CAREER OFFICERS TO HEAD AT LEAST** [by the principle that a] majority of diplomatic and permanent missions, **PROVIDED, THAT DUE TO THE HIGHLY SPECIALIZED FUNCTIONS OF CONSULAR POSTS, THEY** shall be headed by career [ambassadors] **FOREIGN SERVICE OFFICERS"**.

SEC. 24. Section 16 of the same Act is hereby renumbered as Section 29 and is amended to read as follows:

"SEC. [16] **29**. [*Ambassadorial] Appointment [s] of* ***AMBASSADORS***. – [The President shall nominate and, with the consent of the Commission on Appointments, appoint ambassadors extraordinary and plenipotentiary to head embassies and permanent missions] All [ambassadorial]appointments **OF AMBASSADORS** shall be to a particular post [only] **WITH THE DESIGNATION OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.**

[Career foreign service officers may be appointed by the President as ambassadors extraordinary and plenipotentiary and shall retain their items originally held prior to their appointments, after their tour of duty as ambassadors extraordinary and plenipotentiary:

Provided, however, That, during their tour of duty as ambassadors extraordinary and plenipotentiary, they shall not be promoted to the next higher rank.]"

SEC. 25. Section 19 of the same Act is hereby renumbered as Section 30 and is amended to read as follows:

"[Part B. Foreign Service Staff Officers and Employees] "

"SEC.[19] **30**. *[Appointments.]* ***RECRUITMENT OF FOREIGN SERVICE STAFF PERSONNEL.-*** [The Secretary shall appoint all foreign service staff officers and foreign service staff employees in accordance with Civil Service rules and regulations.] Recruitment [on the foreign service staff officer level] shall be made through a competitive exami-nations[open to personnel of the Department and outsiders,] **TO BE ADMINISTERED BY THE BOARD OF FOREIGN SERVICE EXAMINATIONS AND OPEN TO ALL QUALIFIED APPLICANTS.** [t] The successful candidates [of which] **IN THESE EXAMINATIONS** shall be certified by the Board of Foreign Service Examinations for appointment by the Secretary [.]: ***PROVIDED, THAT*** **THOSE WHO PASS THE PROFESSIONAL EXAMINATIONS ON ACCOUNTANCY AND THE BAR SHALL BE QUALIFIED FOR APPOINTMENT TO ENTRY LEVEL AS FOREIGN SERVICE STAFF OFFICERS."**

SEC. 26. Sections 20, 21, 22 and 23 of the same Act are hereby deleted.

SEC. 27. Section 24 of the same Act is hereby renumbered as Section 31 and is amended to read as follows:

[Part D. Alien or Locally Hired Employees]

"SEC. [24] **31**. *Appointment [s and Transfers.]* ***OF LOCALLY-ENGAGED PERSONS***-- The Secretary may authorize [chiefs of mission or principal officers to appoint alien or locally hired employees for] **HEADS OF POSTS OR PRINCIPAL OFFICERS TO HIRE QUALIFIED EMPLOYEES IN** their respective [embassies and consulates: Provided, That Filipino citizens shall be given preference. Such employees, however, may not be transferred to another country but may assigned from one office to another within the same country where originally appointed at the discretion of the chief of mission concerned] **POSTS AS SUPPORT STAFF."**

SEC. 28. Section 25 of the same Act is hereby renumbered as Section 32 and is amended to read as follows:

[Part E. Honorary Consuls]

"SEC. [25] **32**. *Appointments* ***OF HONORARY CONSUL OFFICERS.***—The Secretary may appoint honorary consuls [in areas where there are no Philippine embassies or consulates, under such regulations as may be prescribed by the Department. Honorary consuls shall be appointed] from among qualified [private] persons [preferably of Philippine citizenship to perform certain consular functions on a non-career basis. Honorary consuls are not given fixed salaries or allowances] **FROM THE PRIVATE SECTOR UNDER SUCH REGULATIONS AS MAY BE PRESCRIBED BY THE DEPARTMENT. THEY SHALL FUNCTION IN ACCORDANCE WITH THE TERMS SPECIFIED IN THEIR APPOINTMENTS."**

SEC. 29. Section 33 of the same Act is hereby renumbered as Section 33 and is amended to read as follows:

"[Part C. Provisions of General Application to All Officers and Employees]
PART C. PERFORMANCE EVALUATION SYSTEM AND PROMOTION POLICY

SEC. [33] **33.** *Performance Evaluation System.* –The [Secretary] **DEPARTMENT** shall [prescribe a] **STRENGTHEN ITS** performance evaluation system [which shall be the basis for the periodic review of performance of all officers and employees. Particularly, the performance evaluation system shall address itself to the weeding-out of incompetent and sterile career personnel and abusive political appointees] **TO PROVIDE FOR AN EFFECTIVE MEASURE OF THE PERFORMANCE OF PERSONNEL AND TO ENSURE THAT DUTIES AND RESPONSIBILITIES ARE DISCHARGED WITH THE HIGHEST DEGREE OF PROFESSIONALISM AND DEDICATION."**

SEC. 30. New sections are hereby added as Sections 34 and 35 to read as follows:

"SEC. 34. *PERFORMANCE EVALUATION STANDARDS* – THE SECRETARY SHALL PRESCRIBE PERFORMANCE EVALUATION STANDARDS FOR ALL OFFICERS AND EMPLOYEES, TAKING INTO ACCOUNT THE FACTORS OF KNOWLEDGEABILITY AND EFFICIENCY, EXPERIENCES AND SKILLS, LANGUAGE PROFICIENCY, EDUCATION AND TRAINING, SENIORITY AND CONDUCT, AMONG OTHERS.

SEC. 35. *POLICY ON PROMOTIONS.* – PROMOTIONS IN ALL LEVELS SHALL BE MADE STRICTLY ON MERIT, USING THE PERFORMANCE EVALUATION SYSTEM"

SEC. 31. Section 26 of the same Act is hereby renumbered as Section 36 and is amended to read as follows:

[TITLE III – PROMOTIONS]

[Part A. Foreign Service Officers]

"SEC. [26] **36.** ***PROMOTION OF CAREER*** *Foreign Service [Officers Promotion List]* **CORPS.**– [On the basis of] **THE SECRETARY, AFTER HAVING TAKEN INTO ACCOUNT THE** recommendations made by the Board of Foreign Service Administration, [the Secretary] shall, [from time to time, furnish] **SUBMIT TO** the President [with] the names of Career Service Officers [qualified] for [appointment] **PROMOTION** to the next higher class, from the rank of Foreign Service Officer, Class IV, to **THE RANK OF** Chief of Mission [, class I]"

SEC. 32. Section 27 of the same Act is hereby renumbered as Section 37 and is amended to read as follows:

"SEC. [27] **37.** *[Cumulative Number of Years of] Service* ***REQUIREMENT*** *in Each Class.*—[The Secretary may determine a standard performance based on the merit for each class which must be met before any foreign service officer may become eligible for promotion to a higher class.] All Foreign Service Officers shall be required to render satisfactory service continuously for a minimum period of three (3) years in each class and for the total cumulative period computed at three (3) years for each class before they [become] **CAN BE** eligible for promotion to the next higher class: *Provided, however,* That

foreign service officers who have shown exceptional and meritorious qualities and have rendered exemplary service may be promoted to the next higher rank as an exception hereof."

SEC. 33. Section 29 of the same Act is hereby renumbered as Section 38 and is amended to read as follows:

"SEC. [29] **38**. *Determination of Seniority.*– [Career ministers and chiefs of mission, class I and II, shall not have grades classification within each class.] **THE** Seniority **OF MEMBERS OF THE CAREER FOREIGN SERVICE CORPS, FROM THE RANK OF FOREIGN SERVICE OFFICER CLASS IV TO CHIEF OF MISSION,** shall be determined **FIRST BY CLASS,** [by their original] **THEN THE** dates of **THEIR** appointment **TO THAT PARTICULAR CLASS, THE DATES OF THEIR APPOINTMENT** as [career ministers, as well as] **FOREIGN SERVICE OFFICER CLASS IV, AND FINALLY** the dates of their original entry into the Department."

SEC. 34. Section 28 of the same Act is hereby renumbered as Section 39 and is amended to read as follows:

"SEC. [28] **39**. *[Examination for Promotion]* ***PROMOTION TO THE RANK OF CAREER MINISTER.*** **– SUBJECT TO THE PROVISION OF SEC. 37,** Foreign Service Officers, Class I, who have completed at least two (2) years of "very satisfactory" service in the rank, **AND WHO HAVE SUCH OTHER QUALIFICATIONS AS MAY BE** [are] required [to] **SHALL** pass an examination for promotion to be administered by the Board of Foreign Service Examinations before they [shall] **CAN** be eligible for appointment as Career Ministers."

SEC. 35. Section 30 of the same Act is hereby deleted.

SEC. 36. Section 31 of the same Act is hereby renumbered as Section 40 and is amended to read as follows:

[Part B. Foreign Service Staff Officers and Employees]

"SEC. [31] **40**. ***PROMOTION OF*** *Foreign Service Staff Officers and Employees [Promotion List].* –[On the basis of recommendations made by the Office of Personnel and Management Services, the Board of Foreign Service Administration shall, from time to time, furnish the Secretary with the names of career foreign service staff officers and foreign service staff employees qualified for appointment to the next higher class from foreign service staff employee, class III, to foreign service staff officer, class I. All foreign service staff personnel shall be required to render satisfactory service continuously for a minimum period of two (2) years in each class and for the total cumulative period computed at two (2) years in each class before they become eligible for promotion to the next higher class] **THE PROMOTION AND SELECTION BOARD SHALL REGULARLY EVALUATE THE PERFORMANCE OF FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES AND RECOMMEND TO THE SECRETARY THE PROMOTION OF QUALIFIED CANDIDATES TO THE NEXT HIGHER CLASS. NO FOREIGN SERVICE STAFF EMPLOYEE SHALL BE PROMOTED TO FOREIGN SERVICE STAFF OFFICER RANK UNLESS HE/SHE HAS PASSED THE FOREIGN SERVICE STAFF OFFICER EXAMINATIONS OR THE PROFESSIONAL EXAMINATIONS ON ACCOUNTANCY AND THE BAR:** ***PROVIDED, HOWEVER,*** **THAT THE FOREIGN SERVICE STAFF EMPLOYEES WHO HAVE BEEN IN THE SERVICE FOR AT LEAST FIVE (5) YEARS**

SHALL HAVE THEIR LENGTH OF SERVICE CREDITED AS A PERCENTAGE OF THE EXAMINATION RATING."

SEC. 37. Section 32 of the same Act is hereby renumbered as Section 41 and is amended to read as follows:

"SEC. [32] **41**. *Senior Staff Officers.* -- Personnel who have attained the highest rank in the staff service and have rendered service in that position continuously for a period of [five (5)] **THREE (3)** years and a cumulative period totaling at least [fifteen (15)] **TWELVE (12)** years shall be eligible for promotion in salary and allowances equivalent to the minimum salary and allowances of a Foreign Service Officer, Class IV: *Provided, That* they shall have consistently received a minimum efficiency rating of "very satisfactory" throughout those years of service.

[Thereafter, for every additional six (6) years of continuous very satisfactory service, they shall be eligible for promotion in salary and allowances equivalent to the minimum salary and allowances equivalent to the minimum salary and allowances of the next higher class of foreign service officer.]"

SEC. 38. Sections 34 and 35 of the same Act are hereby deleted.

SEC. 39. Section 36 of the same Act is hereby renumbered as Section 42 and is amended to read as follows:

[TITLE IV - ASSIGNMENTS AND TRANSFERS]

"PART. D. ASSIGNMENTS IN THE SERVICE

SEC. [36] **42**. *Initial Service in the Home Office.* – [Except for non-career chiefs of mission appointed by the President, no member of the Career Foreign Service Corps shall be assigned to any post abroad unless he has rendered continuous and satisfactory service in the home office for at least three (3) years including undertaking an intensive familiarization program of Philippine conditions, urban and rural] **ALL FOREIGN SERVICE OFFICERS, FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES SHALL FIRST SERVE IN THE HOME OFFICE FOR A PERIOD OF AT LEAST THREE (3) YEARS BEFORE THEY BECOME ELIGIBLE FOR ASSIGNMENT IN THE FOREIGN SERVICE."**

SEC. 40. Section 38 of the same Act is hereby renumbered as Section 43 and is amended to read as follows:

"SEC. [38] **43**. *Rotation [Plan] SYSTEM.* – [The Secretary shall establish a system of assignment and transfer to ensure that all qualified career service officers and employees in the Department shall alternately serve in the diplomatic and consular posts in different regions of the world and in the home office. Excluded from the rotation plan are those in the non-career service and those in the career service appointed to such positions which, in the judgment of the Secretary, require a posting of longer duration in the home office.]

[For this purpose, Manila shall be considered a separate post. The Secretary shall promulgate the guidelines including the financial implication of this provision.]

[The assignments and transfers of personnel shall follow a regular rotation plan and no officer or employee shall be assigned to a post for less than two (2) or more than six (6)

years. For the purpose of assignments, the home office shall be considered as another post. In no case shall an officer or employee be assigned to the same post for two (2) consecutive tours of duty unless he shall have served in other posts located in other regions where there are foreign service establishments. Assignments to hardship posts shall not exceed three (3) years.]

[Assignments to posts abroad shall take into consideration the particular area of concern that the Government seeks to promote so that only personnel qualified and trained, with a basic knowledge of the language, shall be assigned to said country] **THE SECRETARY SHALL ESTABLISH A SYSTEM OF ASSIGNMENT AND TRANSFER TO ENSURE THAT ALL QUALIFIED CAREER FOREIGN SERVICE OFFICERS AND EMPLOYEES IN THE DEPARTMENT SHALL ALTERNATELY SERVE IN THE DIPLOMATIC CONSULAR POSTS IN DIFFERENT REGIONS OF THE WORLD AND IN THE HOME OFFICE. EXCLUDED FROM THE ROTATION PLAN ARE THOSE IN THE NON-CAREER SERVICE AND THOSE IN THE CAREER SERVICE APPOINTED TO SUCH POSITIONS WHICH, IN THE JUDGMENT OF THE SECRETARY, REQUIRE A POSTING OF LONGER DURATION IN THE HOME OFFICE.**

FOR THIS PURPOSE, THE HOME OFFICE SHALL BE CONSIDERED A SEPARATE POST."

SEC. 41. Section 37 of the same Act is hereby renumbered as Section 44 and is amended to read as follows:

"Sec. [37] **44**. *Tour of Duty.* – Subject to the exigencies of the service, **AN ASSIGNMENT IN THE FOREIGN SERVICE SHALL BE FOR A DEFINITE DURATION:**

(a) The tour of duty of a Foreign Service Officer, **FOREIGN SERVICE STAFF OFFICER OR EMPLOYEE** at any post shall be **FOR A PERIOD OF NOT MORE THAN** six (6) years commencing on the date of his arrival at the post, after which he shall serve in the Home Office;

(b) [The tour of duty of a] **NO FOREIGN SERVICE OFFICER,** Foreign Service Staff Officer or Employee [at any post] shall be [for a period of six (6) years commencing on the date of his arrival at the post, after which he shall serve in the home office] **ASSIGNED ABROAD FOR ANOTHER TOUR OF DUTY AFTER HIS RECALL TO THE HOME OFFICE, UNLESS HE HAS RENDERED CONTINUOUS AND SATISFACTORY SERVICE IN THE HOME OFFICE FOR AT LEAST TWENTY FOUR (24) MONTHS;**

[(c) No foreign service officer, foreign service staff officer or employee shall be assigned abroad after return to the home office or recall unless he has rendered continuous and satisfactory service in the home office for at least three (3) years;]

[(d) Any foreign service officer, foreign service staff officer or employee on assignment abroad may be recalled to the home office or dismissed from the Service at any time for unsatisfactory performance as certified by the head of post and approved by the Secretary upon recommendation of the Board of Foreign Service Administration; and]

[(e) No foreign service officer may serve for more than three (3) consecutive years in the home office, except when designated as Secretary, Undersecretary or Assistant Secretary.]"

SEC. 42. Section 80 of the same Act is hereby amended and renumbered as Sections 45 and 46 to read as follows:

"PART E. LEAVES OF ABSENCE

SEC. [80]**45.** *Home leave.*—[The Secretary may order to the Philippines for home leave any officer or employee who is a citizen of the Philippines, together with his family] **PERSONNEL OF THE DEPARTMENT ARE ENTITLED TO THIRTY (30) DAYS PAID HOME LEAVE AT GOVERNMENT EXPENSE, TO BE SPENT IN THE PHILIPPINES,** upon completion of three (3) years of continuous service abroad or as soon as possible thereafter. [The time actually and necessarily spent in going to and from the Philippines shall not be counted as leave. While on leave in the Philippines, such officer or employee may be required to serve in a position of comparable importance in the Department, but the period of such assignment shall not be counted as leave: Provided, That the period of this home leave shall not exceed thirty (30) working days] **THE ENTITLEMENT SHALL INCLUDE THE COST OF ROUND-TRIP AIRFARE FOR THE DEPARTMENT PERSONNEL AND THEIR DEPENDENTS BETWEEN THE POST AND THE PHILIPPINES.**

SEC. [80] **46.** *Leaves of Absence.*[Kinds of Leave.] - All officers and employees of the Service who are citizens of the Philippines shall be entitled to thirty (30) days vacation leave and thirty (30) days sick leave with full pay for each year of service. Alien or locally [hired] **ENGAGED** employees shall be entitled to such vacation and sick leaves as they might be entitled to if they were employed by their own government in the place where the post is situated, but in no case should such leave exceed thirty (30) days vacation leave and thirty (30) days sick leave for each year of service.

[Accumulation of leaves.—Under such regulations as the Secretary shall prescribe with the approval of the President, all officers and employees of the Service shall be entitled to the accumulation of any vacation or sick leave not taken in any year, in accordance with Civil Service rules and regulations and subject to the exigencies of the Service.]"

SEC. 43. New sections are hereby added as Sections 47 and 48 to read as follows:

"SEC. 47. *ACCUMULATION OF LEAVES.*-- UNDER SUCH REGULATIONS AS THE SECRETARY SHALL PRESCRIBE, IN ACCORDANCE WITH CIVIL SERVICE RULES AND REGULATIONS AND SUBJECT TO THE EXIGENCIES OF THE SERVICE, ALL OFFICERS AND EMPLOYEES OF THE SERVICE SHALL BE ENTITLED TO THE ACCUMULATION OF ANY VACATION OF SICK LEAVE NOT TAKEN IN ANY YEAR.

PART. F. RETIREMENT

SEC. 48. *COMPULSORY RETIREMENT.* – ALL OFFICERS AND EMPLOYEES OF THE DEPARTMENT, INCLUDING NON-CAREER APPOINTEES, WHO HAVE REACHED THE AGE OF SIXTY-FIVE (65) SHALL BE COMPULSORILY AND AUTOMATICALLY RETIRED FROM THE SERVICE: *PROVIDED, HOWEVER*, THAT NO NON-CAREER CHIEF OF MISSION SHALL SERVE BEYOND THE AGE OF 65. COMPULSORY RETIREES SHALL BE ENTITLED TO RECEIVE THE RETIREMENT BENEFITS OF ONE SALARY GRADE HIGHER."

SEC. 44. Section 39 of the same Act is hereby deleted.

SEC. 45. New sections are hereby added as Sections 49 and 50 to read as follows:

"TITLE IV – REPRESENTATION OF OTHER AGENCIES

SEC. 49. *ONE COUNTRY TEAM-* WHILE UPHOLDING THE PRIMACY OF THE DEPARTMENT IN THE FIELD OF INTERNATIONAL RELATIONS, THE COUNTRY'S FOREIGN AFFAIRS AT THE BILATERAL, REGIONAL AND MULTILATERAL LEVELS SHALL BE CONDUCTED UNDER A COUNTRY TEAM APPROACH, INVOLVING THE PARTICIPATION OF OTHER AGENCIES OF THE GOVERNMENT, UNDER THE LEADERSHIP OF THE DEPARTMENT.

SEC. 50. *AGREEMENT WITH OTHER AGENCIES* – THE SECRETARY SHALL ENTER INTO AN AGREEMENT OR UNDERSTANDING WITH OTHER GOVERNMENT AGENCIES INCLUDING THE COMELEC FOR PURPOSES OF THE IMPLEMENTATION OF THE ABSENTEE VOTING ACT FOR THE ASSIGNMENT AND ACCREDITATION OF PERSONNEL FROM THESE AGENCIES TO POSTS WHERE IT IS CONSIDERED NECESSARY. THE TERMS OF THE AGREEMENT OR UNDERSTANDING SHALL ENSURE THAT RATES, INDICES, MAXIMUM ALLOWABLE AMOUNTS AND POLICIES ON ALLOWANCES OF ALL NATIONAL GOVERNMENT EMPLOYEES STATIONED ABROAD SHALL BE IN ACCORDANCE WITH THE FOREIGN SERVICE COMPENSATION SCHEDULE."

SEC. 46. Sections 40 and 41 are hereby deleted.

SEC. 47. Section 42 of the same Act is hereby renumbered as Section 51 and is amended to read as follows:

"SEC.[42] **51**. *Appointment* ***OF ATTACHES AND REPRESENTATIVES.*** -- The authority to appoint service attaches and representatives shall be vested in the [department secretary] **HEAD OF THE** sending [said officers and employees. A department or] agency: ***PROVIDED, THAT*** **AN AGENCY** shall have only one (1) service attache or representative accredited to one (1) post, except **IN THE CASE OF** military and commercial attaches."

SEC. 48. Sections 43 and 44 are hereby deleted.

SEC. 49. A new section is added as Sec. 52 to read as follows:

"SEC. 52. *RESPONSIBILITY OF THE HEAD OF POST.* – THE HEAD OF POST SHALL BE RESPONSIBLE FOR THE CONDUCT OF ALL AFFAIRS OF THE GOVERNMENT WITHIN HIS JURISDICTION. ALL OFFICIALS FROM OTHER AGENCIES SHALL BE UNDER HIS ADMINISTRATIVE CONTROL AND SUPERVISION AS COUNTRY TEAM MEMBERS."

SEC. 50. Section 45 of the same Act is hereby renumbered as Section 53 and is amended to read as follows:

"SEC. [45] **53**. *Inter-[department] **AGENCY** Committee.* – There shall be an Inter-[department] **AGENCY** Committee to be composed of an Undersecretary of Foreign Affairs, as Chairman, and the undersecretaries of their counterparts from the other [departments and] government agencies with service attaches or representatives abroad, as members. The Committee shall prescribe a uniform set of rules and regulations for attache and representative services and shall meet [regularly to assess the performance of their respective officers and employees abroad with the view to improve their output as well as maintaining and strengthening efficient and harmonious relationships with the chief of mission and principal officer and other government workers in the embassy or consulate where they are assigned] **AS NEEDED, BUT NOT LESS THAN TWICE A YEAR, IN THE DEPARTMENT WHERE A SECRETARIAT SHALL BE BASED. THE COMMITTEE SHALL RECOMMEND POLICIES AND GUIDELINES PERTAINING TO SERVICE ATTACHES AND REPRESENTATIVES AND THEIR RESPECTIVE AGENCIES."**

SEC. 51. A new section is added as Sec. 54 and Title VI is likewise renumbered as Title V and amended to read as follows:

"**TITLE V - [**BOARD OF FOREIGN SERVICE EXAMINATION**]**
THE EXAMINATION SYSTEM

SEC. 54. *RECRUITMENT BY EXAMINATION* – AS A MATTER OF POLICY, RECRUITMENT IN THE DEPARTMENT SHALL BE MADE THROUGH COMPETITIVE EXAMINATIONS, WHICH SHALL ENSURE THAT THE PERSONNEL OF THE DEPARTMENT ARE BROADLY REPRESENTATIVE OF PHILIPPINE SOCIETY AND THAT THE SERVICE IS ADEQUATELY STAFFED BY KNOWLEDGEABLE AND COMPETENT OFFICERS AND EMPLOYEES. SUCH EXAMINATIONS SHALL BE CONDUCTED BY THE BOARD OF FOREIGN SERVICE EXAMINATIONS."

SEC. 52. Section 46 of the same Act is hereby renumbered as Section 55 and is amended to read as follows:

"SEC. [46] 55. *[Composition.] **BOARD OF FOREIGN SERVICE EXAMINATIONS*** – [There shall be a] **THE** Board of Foreign Service Examinations [to] **SHALL** be composed of an Undersecretary of Foreign Affairs, as Chairman, the [Head of Personnel and Administrative Services and a Commissioner] **CHAIRMAN** of the Civil Service Commission, **THE ASSISTANT SECRETARY FOR HUMAN RESOURCE MANAGEMENT AND ADMINISTRATIVE SERVICES,** [as members,] and the Director **GENERAL** of the Foreign Service Institute, as [Board Secretary] **MEMBERS**."

SEC. 53. Section 47 of the same Act is hereby renumbered as Section 56 and is amended to read as follows:

"SEC. [47] 56. *Functions **OF THE BOARD**.* -- The Board shall [conduct examinations and nominate to the President, through the Secretary, successful candidates for appointments as foreign service officers, class IV. It shall receive and screen applications for the foreign service officer (FSO) examinations] **HAVE THE RESPONSIBILITY OF MAINTAINING A COMPETITIVE EXAMINATIONS SYSTEM FOR THE CAREER FOREIGN SERVICE OFFICER CORPS AND FOREIGN SERVICE STAFF PERSONNEL. IT SHALL**

DESIGN AND CONDUCT EXAMINATIONS, TAKING INTO ACCOUNT THE REQUIREMENTS OF A COMPETENT PROFESSIONAL FOREIGN SERVICE.

[The Board shall prescribe the academic training and practical experiences required of candidates and determine the subjects on which the written and oral examinations shall be held. The Board shall prepare, conduct and grade the written examinations and certify to the Secretary for oral examinations those candidates who obtained a general average of seventy-five percent (75%) or higher. In the preparation of questions and the grading of examination papers on any subject, the Board may request, through the secretary of the department concerned, the assistance of any competent officer in the government service.]

(A) THE COMPETITIVE EXAMINATIONS FOR THE RECRUITMENT OF FOREIGN SERVICE OFFICERS SHALL BE CONDUCTED REGULARLY AS MAY BE REQUIRED BY THE EXIGENCIES OF THE SERVICE, IN ACCORDANCE WITH THE NORMS AND STANDARDS ESTABLISHED BY THE BOARD. THE BOARD SHALL SUBMIT TO THE PRESIDENT THROUGH THE SECRETARY, THE LIST OF SUCCESSFUL CANDIDATES FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS, CLASS IV.

(B) THE BOARD SHALL ADMINISTER THE EXAMINATIONS REQUIRED IN SEC. 39 OF THIS ACT FOR PROMOTION TO THE RANK OF CAREER MINISTER AS MAY BE NECESSITATED BY EXISTING VACANCIES.

(C) THE BOARD SHALL ADMINISTER EXAMINATIONS IN THE RECRUITMENT OF FOREIGN SERVICE STAFF OFFICERS AND EMPLOYEES."

SEC. 54. Sections 48 and 49 are hereby deleted.

SEC. 55. Section 50 of the same Act is hereby renumbered as Section 57 and Title VII is likewise renumbered as Title VI and is amended to read as follows:

"TITLE [VII} VI -[BOARD OF FOREIGN SERVICE ADMINISTRATION]
ADMINISTRATIVE POLICY AND PROCEDURES

PART A. BOARD OF FOREIGN SERVICE ADMINISTRATION

SEC. [50] 57. *Composition.* – [There shall be a] **THE** Board of Foreign Service Administration [to] **SHALL** be composed of [one (1) of the] **AN** [Undersecretaries] **UNDERSECRETARY OF FOREIGN AFFAIRS**, as Chairman, and the [two (2)] **THREE (3)** other Undersecretaries, [and] the Assistant Secretaries of the different offices in the Department, [including the Director of the Institute, as members] **AND REPRESENTATIVES OF THE PERSONNEL ASSOCIATIONS OF THE DEPARTMENT, AS MEMBERS."**

SEC. 56. Section 51 of the same Act is hereby renumbered as Section 58 and is amended to read as follows:

"[SEC. 51. *Functions.* –The Board shall make recommendations to the Secretary concerning the functions and operations of the Service, the policies and procedures to govern the selection, assignment, promotion, discipline and separation from the Service of chiefs of mission, career ministers, foreign service officers, foreign service staff officers and foreign service staff employees, and the policies to govern the administration and personnel management of the Service: *Provided,* That the chiefs of mission who are

commissioned by the President as ambassadors extraordinary and plenipotentiary shall not be investigated by the Board or separated from the Service unless there is an express written directive from the President. It shall establish the efficiency ratings of service personnel and shall perform such other duties as may be assigned to it by law or regulation, including those that may be issued by the Secretary. It shall consider administrative cases brought against officers and employees who commit offenses against the interest of public service and submit to the Secretary its findings and recommendations.]

[The Board shall keep a lineal roster of all chiefs of mission, career ministers, foreign service officers, foreign service staff officers and foreign service staff employees strictly in the order of their ranks and seniority in each rank or class, based on their respective dates of appointment. In submitting recommendations for promotions to the President, through the Secretary, the Board shall base its recommendations on the efficiency ratings and seniority of the officers and employees concerned.]

SEC. 58. ***ROLE AND FUNCTIONS OF THE BOARD.*** **-- THE BOARD OF FOREIGN SERVICE ADMINISTRATION SHALL SERVE AS AN ADVISORY AND CONSULTATIVE BODY TO THE SECRETARY ON THE FUNCTIONS AND OPERATIONS OF THE DEPARTMENT. IT SHALL HAVE THE FOLLOWING FUNCTIONS AND RESPONSIBILITIES:**

(A) FORMULATE POLICIES AND REGULATIONS GOVERNING THE ADMINISTRATION AND PERSONNEL MANAGEMENT;

(B) ASSIST THE SECRETARY IN THE SUPERVISION AND MANAGEMENT OF THE DEPARTMENT;

(C) ADVISE THE SECRETARY ON THE ESTABLISHMENT AND MAINTENANCE OF A SYSTEM OF INCENTIVES AND REWARDS, INCLUDING THE GRANT OF MERITORIOUS SERVICE AWARDS TO DESERVING OFFICERS AND EMPLOYEES;

(D) PROVIDE ADVICE IN THE ASSIGNMENT AND ROTATION OF PERSONNEL; AND

(E) DELIBERATE AND ACT ON ADMINISTRATIVE CASES BROUGHT AGAINST OFFICERS AND EMPLOYEES CHARGED WITH OFFENSES"

SEC. 57. Sections 52 and 53 of the same Act are hereby deleted.

SEC. 58. Section 54 of the same Act is hereby renumbered as Section 59 and is amended to read as follows:

PART B. DISCIPLINARY ACTIONS

"SEC. [54] 59. *Disciplinary Actions.* -- In [the investigation of] **DEALING WITH** administrative cases [against officers and employees of the Department,] **IT IS THE RESPONSIBILITY OF THE BOARD THAT** the applicable **LAWS**, rules, regulations and guidelines promulgated by the Civil Service Commission [shall be strictly] **ARE** observed, **SEEING TO IT THAT THE CAUSE OF FAIRNESS AND JUSTICE IS UPHELD AND THAT PUBLIC INTEREST IS SAFEGUARDED.**

No officer or employee [of the Department] shall be subjected to disciplinary action or otherwise be removed or separated from the Service except for cause as provided [for] by law and in accordance with requirements of due process.

Disciplinary actions may be taken against an officer or an employee only by the appropriate disciplinary authority, to wit; [(a)] [T]The President, for all presidential

appointees [of the Department, upon the recommendation of the Secretary; and (b) The Secretary for all those appointed by him or by his predecessors] **AND THE SECRETARY, FOR ALL OTHER PERSONNEL OF THE DEPARTMENT.**

No officer or employee of the Department facing administrative charges shall be effectively suspended or otherwise prevented from exercising his normal duties and functions unless so ordered by the appropriate disciplinary authority on grounds provided for by law.

In the interest of harnessing [all] the **ENTIRE** human resources in the Department, [no] **EVERY** officer [or] **AND** employee shall be ["frozen" or "floated" or otherwise deprived of an assignment,] **ASSIGNED** duties or functions appropriate to his rank [and position, except for justifiable reasons] **IN THE HOME OFFICE."**

SEC. 59. Sections 54, 55, 56 and 57 of the same Act are hereby deleted.

SEC. 60. A new section is added to read as follows:

"SEC. 60. *GRIEVANCE MECHANISM.* – THE SECRETARY SHALL ESTABLISH A GRIEVANCE MECHANISM FOR ALL DEPARTMENT PERSONNEL."

SEC. 61. A new section is added as Sec. 61 and Title XII is likewise renumbered as Title VII and is amended to read as follows:

"**TITLE [XII] VII**-[ALLOWANCES, PER DIEMS, TRAVEL EXPENSES]
COMPENSATION AND BENEFITS

PART A. ***SYSTEM OF SALARIES AND*** *ALLOWANCES*

SEC. 61. *COMPENSATION AND BENEFITS PLAN.* - THE SECRETARY SHALL FORMULATE A DFA COMPENSATION AND BENEFITS PLAN CONSISTING OF SALARIES, ALLOWANCES AND OTHER ENTITLEMENTS FOR DFA PERSONNEL IN THE HOME OFFICE AND THE FOREIGN SERVICE. THIS PLAN SHALL BE SUBJECT TO REVIEW OR ADJUSTMENT EVERY TWO YEARS. FOR PURPOSES OF IMPLEMENTING THIS TITLE, THE HOME OFFICE SHALL BE CONSIDERED A SEPARATE POST.

THE SECRETARY SHALL RECOMMEND TO THE PRESIDENT THROUGH THE DEPARTMENT OF BUDGET AND MANAGEMENT PERIODIC ADJUSTMENTS OF SALARIES AND ALLOWANCES OF DEPARTMENT PERSONNEL, IN ACCORDANCE WITH OFFICIAL UNITED NATIONS CONSUMER INDICES AND ADJUSTMENT SCHEMES; *PROVIDED, THAT* THE ADJUSTMENTS SHALL BE MADE EVERY TWO YEARS."

SEC. 62. Sections 59, 60, 61 and 62 of the same Act are hereby deleted.

SEC. 63. Section 63 of the same Act is hereby renumbered as Section 62 and is amended to read as follows:

"SEC. 62. *[System]* ***KINDS*** *of Allowances.* -- [The President upon recommendation of the Secretary shall recommend to Congress the establishment of a system of allowances

for foreign service personnel which shall be subject to periodic review and] **THE COMPENSATION AND BENEFITS PLAN** shall include the following **ALLOWANCES**:

(a) Overseas allowance – [To adjust take home pay of] **THIS ALLOWANCE IS INTENDED TO HELP** foreign service personnel [for any changes in the] **ADJUST TO THE ADDITIONAL** cost of living [abroad which arise from changes in foreign currency conversion rates, differentials in cost of living between the Philippines and foreign posts, and extraordinary and necessary expenses not otherwise compensated for, which are incurred by officers or employees in the foreign service] **OVERSEAS**;

(b) Living quarters allowance (**LQA**)– [To enable personnel to whom those are granted] **THIS ALLOWANCE IS INTENDED TO COVER EXPENSES FOR RENTAL OF RESIDENCES, WHICH WILL ENABLE PERSONNEL** to live in a manner befitting their [representative] **REPRESENTATIONAL** capacity [but not for purposes of augmenting basic salary];

(c) Clothing allowance – **THIS ALLOWANCE IS INTENDED** [T]To compensate for **THE** increased cost of clothing incurred by [foreign service] personnel [assigned to posts whose climates are different from that of the Philippines or where unusual circumstances exist] **AND THEIR DEPENDENTS IN LINE WITH THEIR REPRESENTATIONAL RESPONSIBILITY, TAKING INTO ACCOUNT ALSO THE VARIANCE IN CLIMATE AND CULTURE;**

(d) Post allowance – **THIS ALLOWANCE IS INTENDED** [T]To defray [unusual] **INCREMENTAL** expenses incident to the operation and maintenance of an official residence suitable for [the chief diplomatic or consular representative of the Philippines at his post] **A HEAD OF POST;**

(e) Representation allowance – **THIS ALLOWANCE IS INTENDED**[T]To enable [chiefs of mission, special envoys, ministers, permanent delegates or representatives to international bodies, principal officers and other ranking diplomatic officers stationed abroad uphold the prestige of the Republic of the Philippines and otherwise] **FOREIGN SERVICE PERSONNEL DESIGNATED BY THE SECRETARY** to represent the country with [distinction and] dignity **AND EFFICACY;**

(f) Education allowance – [To compensate for additional educational cost incurred by officers and employees assigned abroad for legal dependent children not exceeding three (3) in number who are enrolled in the primary and elementary grades and high school where free public education is absent] **THIS ALLOWANCE IS PROVIDED TO HELP DEFRAY THE HIGHER COSTS OF EDUCATION FOR QUALIFIED DEPENDENT CHILDREN ENROLLED UP TO TERTIARY OR COLLEGIATE SCHOOLS;**

(g) *[Medical allowance]* ***HEALTH CARE INSURANCE PREMIUM SUBSIDY*** –[Intended to cover the cost of medical insurance in countries where medical care is unusually expensive, including cost of] **THIS ALLOWANCE IS PROVIDED FOR THE HEALTH CARE OF PERSONNEL AND THEIR DEPENDENTS WHICH SHALL INCLUDE, AMONG OTHERS, CONSULTATIONS, MEDICATIONS,** hospitalization **COSTS**, [and] medical **AND DENTAL TREATMENT** [for foreign service personnel and legal dependents living with the officers and employees at the posts; and] **AND ANNUAL GENERAL AND PHYSICAL EXAMINATIONS;**

FOR THIS PURPOSE, THE DEPARTMENT SHALL ESTABLISH A GROUP MEDICAL INSURANCE PLAN, WHICH WILL PROVIDE MANDATORY INSURANCE COVERAGE FOR ALL PERSONNEL. THE PLAN SHALL ENDEAVOR TO SUBSIDIZE THE

INSURANCE PREMIUMS WITH APPROPRIATE CONTRIBUTIONS FROM EMPLOYEES AS THE CASE MAY BE.

(h) *Family allowance* – **THIS ALLOWANCE IS INTENDED** [T]To assist foreign service personnel living with their **IMMEDIATE** families at the post of assignment [in meeting the incremental expenses arising from foreign assignment computed for the dependent spouse and for unmarried legal minor dependent children not exceeding three (3) in number].

(I) *RELOCATION ALLOWANCE* - THIS ALLOWANCE IS INTENDED TO ASSIST OFFICERS AND EMPLOYEES OF THE DEPARTMENT ON ASSIGNMENT TO OR FROM A POST IN MEETING COSTS OF RESETTLEMENT AND SHIPMENT OF HOUSEHOLD GOODS AND PERSONAL EFFECTS; AND

(J) *HOME OFFICE ALLOWANCE*- THIS HOME OFFICE SHALL BE CONSIDERED A SEPARATE POST WITH ALL ITS PERSONNEL ENTITLED TO AN ALLOWANCE ENJOYED IN THE FOREIGN SERVICE WHICH IS EQUIVALENT TO 15% OF THE OVERSEAS ALLOWANCE OF THEIR RESPECTIVE RANKS"

SEC. 64. Sections 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 82, 83, 84, 85 and 86 of the same Act are hereby deleted.

SEC. 65. New section is hereby added as Sec. 63 to read as follows:

"PART B. BENEFITS

SEC. 63. *ADDITIONAL ENTITLEMENTS.*- THE DEPARTMENT SHALL ESTABLISH POLICIES AND MECHANISMS FOR THE FOLLOWING ENTITLEMENTS, WHICH SHALL FORM PART OF THE DEPARTMENT'S COMPENSATION AND BENEFITS PLAN:

(A) *RETIREMENT, MEDICAL AND PENSION SYSTEM* – THIS SHALL AUGMENT THE COVERAGE UNDER THE GOVERNMENT SERVICE INSURANCE PACKAGE AND SHALL ENSURE ADEQUATE LIFETIME PENSION AND MEDICAL INSURANCE FOR ALL EMPLOYEES AFTER THEIR RETIREMENT;

(B) *DISABILITY AND DEATH BENEFITS PLAN* - THIS SHALL PROVIDE FOR ADDITIONAL INSURANCE COVERAGE AND DEATH BENEFITS CONSIDERING THE SPECIAL RISKS DEPARTMENT PERSONNEL ARE EXPOSED TO IN THE PERFORMANCE OF THEIR DUTIES IN THE SERVICE;

(C) *PROVIDENT FUND SYSTEM* – THIS SHALL SERVE AS A PROGRAMMED SAVINGS AND MUTUAL FUND TO SUPPLEMENT THE RETIREMENT AND OTHER FINANCIAL BENEFITS OF DEPARTMENT PERSONNEL AND FROM WHICH THEY MAY SOURCE FINANCIAL ASSISTANCE WHEN NEEDED. IT SHALL BE MANAGED BY A BOARD OF TRUSTEES COMPOSED OF OFFICIALS AND RANK-AND-FILE PERSONNEL OF THE DEPARTMENT."

SEC. 66. Section 81 of the same Act is hereby renumbered as Section 65 and is amended to read as follows:

"Sec. 64. *Exemption from Taxation.* – All allowances, per diems, benefits and the like received by officers and employees [of the Service] **OF THE DEPARTMENT** in

consideration of their service while on assignment abroad, except their basic salaries, shall be exempt from the Philippine income tax.

Any officer or employee returning from a regular assignment abroad for re-assignment to the home office or who dies , resigns, or retires from the Service **WHILE ON FOREIGN ASSIGNMENT** shall be exempt from the payment of all duties and taxes on his personal and household effects, including one (1) used motor car duly registered in his name. [for at least six (6) months: *Provided, however* That the exemption shall apply only to the value of the motor car and to the aggregate assessed value of said personal and household effects, the latter not to exceed fifty percent (50%) of the total amount received by such officer or employee in salary and allowances during his latest assignment abroad but not to exceed four (4) years, *Provided further,* That this exception shall not be availed of more often than once every four (4) years.]"

SEC. 67. A new section is hereby added as Sec. 65 to read as follows:

"SEC. 65. *AUDITING REQUIREMENTS*—THE DEPARTMENT SHALL NOT AUTHORIZE NOR SHALL THE COMMISSION ON AUDIT PASS IN AUDIT PAYMENT OF SALARIES AND ALLOWANCES OF ANY PERSON APPOINTED TO ANY POSITION IN THE DEPARTMENT IN VIOLATION OF THE REQUIREMENTS ENUMERATED UNDER PARTS A AND B, TITLE III OF THIS ACT. ANY SALARY AND ALLOWANCE RECEIVED ON THE BASIS OF SUCH INVALID APPOINTMENTS SHALL BE REFUNDED BY THE PERSONS SO APPOINTED."

SEC. 68. Section 58 of the same Act is hereby renumbered as Section 66 and Title VIII is likewise renumbered as Title VII and is amended to read as follows:

"TITLE VII– [FOREIGN SERVICE INSTITUTE]
OTHER OFFICES AND AGENCIES

PART A. FOREIGN SERVICE INSTITUTE

SEC. [58] 66 [Operations.] ***FUNCTIONS*** -- The **FOREIGN SERVICE** Institute shall continue to operate under its own charter [. The Director of the Institute shall be a senior career chief of mission with the title of assistance secretary] **TO PERFORM THE FOLLOWING FUNCTIONS:**

(A) OPERATE AS A TRAINING INSTITUTION OR CENTER FOR THE PROFESSIONALIZATION AND DEVELOPMENT OF THE CAREER FOREIGN SERVICE TO ENSURE THAT THE SERVICE IS MANNED AT ALL TIMES BY COMPETENT AND ADEQUATELY TRAINED OFFICERS AND EMPLOYEES;

(B) OPERATE AS A RESEARCH INSTITUTE OR CENTER FOR INTERNATIONAL RELATIONS AND STRATEGIC STUDIES;

(C) PUBLISH MATERIALS ON FOREIGN RELATIONS AND DIPLOMACY AND SERVE AS A REPOSITORY AND MEANS FOR DISSEMINATION OF SUCH INFORMATION MATERIALS AND PUBLICATIONS; AND

(D) SERVE AS INSTITUTIONAL CONSULTANT OF THE DEPARTMENT ON MATTERS RELATED TO POLICIES AND PROGRAMS, AS WELL AS DEVELOPMENT MANAGEMENT, PLANNING, REVIEW AND EVALUATION OF THE PROCEDURES AND PROCESSES OF THE DEPARTMENT."

SEC. 69. New sections are hereby added as Sections 67, 68, 69 and 70 to read as follows:

"SEC. 67. *ADMINISTRATION*—THE HEAD OF THE INSTITUTE SHALL BE A SENIOR CAREER CHIEF OF MISSION WITH THE DESIGNATION OF DIRECTOR GENERAL AND THE EQUIVALENT RANK OF UNDERSECRETARY. HE WILL BE ASSISTED BY A DEPUTY DIRECTOR GENERAL FROM THE ACADEME AND AN EXECUTIVE DIRECTOR WHO SHALL BE A CAREER FOREIGN SERVICE OFFICER."

SEC. 68. *OPERATION* – THE OPERATION OF THE INSTITUTE SHALL BE SUPERVISED BY THE BOARD OF THE FOREIGN SERVICE INSTITUTE.

PART B. UNESCO NATIONAL COMMISSION OF THE PHILIPPINES

SEC. 69. *FUNCTIONS* – THE UNESCO NATIONAL COMMISSION OF THE PHILIPPINES (UNACOM) SHALL, IN COORDINATION WITH THE OFFICE OF THE UNITED NATIONS AND SPECIALIZED AGENCIES, ADVISE THE PHILIPPINE DELEGATION TO THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO) CONFERENCE, AND THE PHILIPPINE GOVERNMENT, ON MATTERS RELATING TO THE UNESCO, AND SHALL FUNCTION AS A LIAISON AGENCY IN ALL MATTERS PERTAINING TO THE UNACOM.

PART C. AGENCIES WITH THEIR OWN CHARTERS

SEC. 70. *AGENCIES*—THE FOLLOWING AGENCIES SHALL CONTINUE TO OPERATE AS PROVIDED FOR UNDER THEIR RESPECTIVE CHARTERS, RELEVANT LAWS AND PRESIDENTIAL ISSUANCES:

1. THE COMMISSION ON FILIPINOS OVERSEAS (CFO); AND
2. THE TECHNICAL COOPERATION COUNCIL OF THE PHILIPPINES"

SEC. 70. A New Title IX and sections are hereby added as Sections 71 and 72 to read as follows:

"TITLE IX - TRANSITORY PROVISIONS

SEC. 71. *INTEGRATION OF THE LEGAL ASSISTANT FOR MIGRANT WORKERS AFFAIRS INTO THE DEPARTMENT*– THE EXISTING FUNCTIONS OF THE LEGAL ASSISTANT FOR MIGRANT WORKERS CREATED UNDER REPUBLIC ACT NO. 8042, SHALL BE TRANSFERRED TO ONE OF THE UNDERSECRETARIES REFERRED TO IN SECTION 8 OF THIS ACT AND/OR THE APPROPRIATE PRINCIPAL OFFICES OF THE DEPARTMENT, *PROVIDED THAT* THE INCUMBENT LEGAL ASSISTANT FOR MIGRANT WORKERS AFFAIRS AT THE TIME OF THE ENACTMENT OF THIS ACT SHALL ASSUME THE POSITION OF THAT UNDERSECRETARY.

ALL OFFICERS, EMPLOYEES, ASSETS AND FUNDS OF THE OFFICE OF SAID LEGAL ASSISTANT SHALL BE TRANSFERRED TO AND ABSORBED BY THE DEPARTMENT, SUBJECT TO THE DEPARTMENT'S PERSONNEL AND FISCAL RULES AND REGULATIONS.

SEC. 72. *HOME ADJUSTMENT ALLOWANCE* -- THE HOME ADJUSTMENT ALLOWANCE WILL CONTINUE UNTIL THE IMPLEMENTATION OF THE HOME OFFICE ALLOWANCE REFERRED TO IN SEC. 62 (J) ABOVE."

SEC. 71. New sections and Title X are hereby added as Sec. 73, 74 and 75 to read as follows:

"TITLE X- FINAL PROVISIONS

SEC. 73. *UPDATING AND REVITALIZING THE STAFF COMPLEMENT* – WITHIN A PERIOD OF TWELVE (12) MONTHS, THE SECRETARY OF FOREIGN AFFAIRS, IN COLLABORATION WITH THE SECRETARY OF BUDGET AND MANAGEMENT, SHALL FINALIZE AN UPDATED AND REVITALIZED STAFFING PATTERN FOR THE ENTIRE SERVICE, IN ACCORDANCE WITH SECTION 21, HEREOF, FUNDING FOR WHICH SHALL BE PROVIDED FOR IN THE BUDGET OF THE SUCCEEDING YEAR.

THE NEW STAFFING PATTERN SHALL BE IMPLEMENTED IMMEDIATELY IN CONFORMITY WITH THE PERSONNEL AND FISCAL POLICY AND REGULATIONS OF THE DEPARTMENT AND THE RULES OF THE CIVIL SERVICE COMMISSION, PROVIDED THAT INCUMBENT CONTRACTUAL AND CASUAL EMPLOYEES SHALL, AS MUCH AS POSSIBLE, BE GIVEN PRIORITY IN THE ISSUANCE OF PERMANENT APPOINTMENTS.

SEC. 74. *PROVISION FOR FOREIGN EXCHANGE DIFFERENTIALS* – PURSUANT TO THE GENERAL APPROPRIATIONS ACT, THE DEPARTMENT IS AUTHORIZED TO USE ITS CURRENT YEAR'S INCOME TO COVER FOREIGN EXCHANGE (FOREX) REQUIREMENT ARISING FROM THE DIFFERENCE BETWEEN THE EXCHANGE RATE USED IN THE FORMULATION OF THE DEPARTMENT'S ANNUAL BUDGET: *PROVIDED, THAT* FOREX REQUIREMENT CHARGED TO INCOME SHALL NOT EXCEED THE ALLOTMENT RELEASED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT FOR THE PURPOSE. ACCORDINGLY, THE DEPARTMENT SHALL ESTABLISH THE APPROPRIATE ACCOUNTING SYSTEMS AND PROCEDURES TO RECOGNIZE GAINS AND LOSSES ARISING FROM THESE FOREIGN EXCHANGE TRANSACTIONS WHICH MAY INCLUDE PERFORMING THE APPROPRIATE BOOK ENTRY ADJUSTMENTS IN ITS FINANCIAL RECORDS AND/OR BOOKS OF ACCOUNT.

SEC. 75. *BUILDING FUND*—THERE SHALL BE ESTABLISHED A BUILDING FUND FOR THE ACQUISITION, DEVELOPMENT AND MAINTENANCE OF REAL PROPERTY OF THE DEPARTMENT AND THE ESTABLISHMENT, RELOCATION, DEVELOPMENT, REPAIR, OR RENOVATION OF CHANCERIES, OFFICIAL RESIDENCES IN THE FOREIGN SERVICE, AND REGIONAL OFFICES OF THE DEPARTMENT.

THE DEPARTMENT IS HEREBY AUTHORIZED TO AUTOMATICALLY RETAIN A PORTION OF THE CURRENT YEAR'S CONSULAR INCOME AS BUILDING FUND."

SEC. 72. Section 87 of the same Act is hereby renumbered as Section 76 and is amended to read as follows:

"Sec. [87] **76.** *Rules and Regulations.* – [The Secretary may issue such rules and regulations as may be necessary to implement the provisions of this Act as well as the provisions of acts, decrees and orders which are not inconsistent with this Act, including

the formulation of a code of conduct and decorum for all officers and employees of the Department and other government attaches serving with the Department]

[The Secretary shall review periodically all existing administrative rules and regulations embodied in the Foreign Service Code of 1983 with the end in view of updating such rules and regulations which may be inconsistent with national interest. Special reference is made to rules and regulations in the issuance of passports and visas which may need to be revised and updated.]

THE SECRETARY SHALL ISSUE SUCH RULES TO IMPLEMENT THE PROVISIONS OF THIS ACT WITHIN SIX (6) MONTHS FROM ITS EFFECTIVITY. SUCH RULES SHALL BE INCORPORATED IN THE EXISTING REGULATIONS OF THE DEPARTMENT OF FOREIGN AFFAIRS OF 1995. THE SECRETARY SHALL ALSO ESTABLISH MECHANISMS AS MAY BE NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS ACT."

SEC. 73. Section 88 of the same Act is hereby renumbered as Section 77 and is amended to read as follows:

"Sec. [88] **77. *Appropriations*** – [There is hereby authorized to be appropriated from the National Treasury such amounts as may be necessary to provide for the salary and allowances of ambassadors extraordinary and plenipotentiary appointed by the President outside of the Career Foreign Service Corps. Thereafter, such amounts shall be incorporated in the General Appropriations Act under the annual budget of the Department of Foreign Affairs.]

THERE IS HEREBY AUTHORIZED TO BE APPROPRIATED FROM THE NATIONAL TREASURY SUCH AMOUNTS AS MAY BE NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS ACT WHICH SHALL BE INCORPORATED IN THE GENERAL APPROPRIATIONS ACT UNDER THE ANNUAL BUDGET OF THE DEPARTMENT OF FOREIGN AFFAIRS. SUCH AMOUNTS AS MAY BE NECESSARY TO PROVIDE FOR THE SALARIES AND ALLOWANCES OF AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY APPOINTED BY THE PRESIDENT OUTSIDE OF THE CAREER FOREIGN SERVICE CORPS SHALL ALSO BE INCORPORATED IN THE GENERAL APPROPRIATIONS ACT UNDER THE ANNUAL BUDGET OF THE DEPARTMENT."

SEC. 74. Section 89 of the same Act is hereby renumbered as Section 78.

SEC. 75. Section 90 of the same Act is hereby renumbered as Section 79 and is amended to read as follows:

"Sec. [90] 79. ***Repealing Clause*** – [The Foreign Service Act of 1952 (Republic Act No. 708, as amended), all other acts,] **ALL LAWS,** [presidential] decrees, [executive orders,] letters of implementation, letters of instruction, and rules and regulations [which are] **OR PORTIONS THEREOF** inconsistent with any of the provisions of this Act are hereby repealed or amended accordingly. "

SEC. 76. Section 91 of the same Act is renumbered as Section 80.

Approved,