

**[ ADMINISTRATIVE ORDER NO. 3, February 27, 2001 ]**

**PROHIBITING THE ACQUISITION AND USE BY GOVERNMENT OFFICES OF LUXURY VEHICLES AND DIRECTING ALL HEADS OF NATIONAL GOVERNMENT OFFICES, GOVERNMENT OWNED OR CONTROLLED CORPORATIONS (GOCCs), GOVERNMENT FINANCIAL INSTITUTIONS (GFIs), STATE UNIVERSITIES AND COLLEGES (SUCs) AND LOCAL GOVERNMENT UNITS (LGUs) TO SURRENDER AND/OR DISPOSE OF GOVERNMENT-OWNED LUXURY VEHICLES**

**WHEREAS**, the current Administration adheres to the principle that public office is a public trust and is determined to deliver on its commitment of good governance in the exercise of its mandate;

**WHEREAS**, inherent in good governance is the judicious and responsible stewardship in the utilization of the government's resources;

**WHEREAS**, the use of luxury vehicles by government offices and officials is inconsistent with responsible stewardship of government resources, particularly in the light of the country's economic problems and widespread poverty of the people;

**WHEREAS**, the government must set the moral tone and economic austerity standard for the country;

**NOW, THEREFORE, I, GLORIA MACAPAGAL ARROYO**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

1. All government offices, including GOCCs, GFIs, SUCs and LGUs, (hereinafter collectively referred to as "Government Offices") are hereby prohibited from acquiring or using luxury vehicles for its operations.

2. For purposes of this Order, a "luxury vehicle" shall refer to any passenger motor vehicle (a) priced in the local market at P1.3 million or more at the time of acquisition, or (b) with the following engine displacement specifications:

- 2.1. Car (sedan or hatchback) with an engine displacement exceeding 2200 cc. if gasoline-fed or 3000 cc. if diesel-fed;
- 2.2. Passenger van or pick-up with an engine displacement exceeding 2200 cc if gasoline-fed or 3000 cc. if diesel-fed;
- 2.3. Passenger wagon with an engine displacement exceeding 1800 cc. if gasoline-fed or 2500 cc. if