

**[ ADMINISTRATIVE ORDER NO. 121, June 30, 2005 ]**

**DIRECTING ALL GOVERNMENT OFFICES TO STRICTLY COMPLY WITH ADMINISTRATIVE ORDER NO. 03 (S. 2001) PROHIBITING THE ACQUISITION AND USE BY GOVERNMENT OFFICES INCLUDING GOVERNMENT OWNED OR CONTROLLED CORPORATIONS, GOVERNMENT FINANCIAL INSTITUTIONS, STATE UNIVERSITIES AND COLLEGES AND LOCAL GOVERNMENT UNITS OF LUXURY VEHICLES**

WHEREAS, in light of the present economic situation facing the country today, there is an urgent need to undertake decisive measures to highlight the government's unwavering commitment to public interest;

WHEREAS, the present Administration adheres to the time-honored principle of public office being a public trust;

WHEREAS, the judicious and responsible utilization of government resources is one of the pillars of good governance;

WHEREAS, to set the moral tone, it is necessary to reiterate the prohibition imposed on the acquisition and use by government offices of luxury vehicles to uphold the government's sworn duty to exemplify the values of integrity, professionalism, public accountability and simple living in public service;

WHEREAS, on February 27, 2001, Administrative Order No. 03 was issued prohibiting the acquisition and use by all government offices of luxury vehicles;

WHEREAS, under Administrative Order No. 03, subject to exceptions, all government offices, including government-owned and controlled corporations, government financial institutions, state universities and colleges and local government units, were directed to account for all their motor vehicle units and prepare a disposal program for all luxury motor vehicles according to the procedure provided for therein.

WHEREAS, Administrative Order No. 03 also directed all government offices to dispose of such vehicles by public auction or sale in compliance with applicable laws, rules and regulations, and to turn over the proceeds of such disposition to the National Treasury in the case of national government offices/agencies, to their respective operating funds in the case of government-owned and controlled corporations and government financial institutions, and to their respective local funds in the case of local government units.

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 all government offices, including government-owned and controlled corporations,