



Republic of the Philippines  
Department of Social Welfare and Development  
Batasan Pambansa Complex, Constitution Hills  
Quezon City  
Telephone No. 931-8101 to 07

DEPT. OF SOCIAL WELFARE & DEVELOPMENT  
1001 J.P. ROA ROAD, CONSTITUTION HILLS, Q.C.

JAN 15 2004 8082

LEGAL SERVICE  
RECEIVED BY: *[Signature]*

16 December 2003

**MEMORANDUM CIRCULAR**

No. 37

Series of 2003

**SUBJECT : OFFICIAL LOCAL TRAVEL AND PAYMENT OF PER DIEM  
OF CONSULTANTS UNDER FOREIGN ASSISTED  
PROJECT (FAPs)**

To provide the consultants under Foreign Assisted Projects (FAPs), and others with fairly reasonable means of delivering outputs that require travel outside Metro Manila within the rules on fairness and financial capability of the government, the following policies on the payment of their per diem and transportation expenses are adopted:

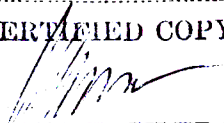
1. Per diem of not more than ₱1,500.00 shall cover daily hotel room accommodation or lodging rate, daily subsistence, inland transportation and other incidental expenses.
2. Per diem shall consist of two (2) components which shall be allocated as follows:
  - a. Hotel room/lodging expenses which shall be limited to one-third of the rate of per diem stipulated in the contract of the consultants; and
  - b. Travel allowance consisting of cost of meals, inland transportation and other incidental expenses, which shall constitute two-thirds of the rate of per diem stipulated in the consultant's contract.
3. Reimbursement of hotel/lodging expenses shall be supported by an official receipt. In case actual hotel/lodging expense exceeds one-third of the per diem rate, the excess shall not be eligible for reimbursement. If it is less than one-third of the per diem rate, the actual amount paid shall be reimbursable. A certification or affidavit of loss shall not be considered as appropriate replacement for the required hotel room/lodging bills and receipts.
4. Reimbursement of travel allowance as defined in paragraph 2b. shall be supported by Reimbursement Expense Receipt (RER) or certification of actual expenses incurred.
5. In cases of attendance to seminars/conferences/trainings that requires stay in a hotel/venue, the consultant shall have the option of

either being included in the activity package or shouldering all expenses for hotel and food. Said options shall be arranged beforehand by the consultant with the activity organizer as follows:

- a. If the consultant opts to be included in the activity package, he/she shall not be allowed to claim any reimbursement for the hotel and lodging expenses; or
  - b. If the consultant will choose not to be included in the package, he/she shall pay for his hotel and lodging expenses and shall be allowed to claim reimbursement, following the procedures indicated in paragraphs 3 and 4. He/she shall not be reimbursed with per diem.
6. This Memorandum, however, shall not apply to existing Consultancy Contracts with provisions for Payment of Per Diems. Future contract negotiation shall be in accordance with this guideline except if contradictory to the policies of the funding institutions.

This Memorandum Circular shall be effective immediately and revokes earlier issuances contrary to it.

  
**CORAZON JULIANO-SOLIMAN**  
Secretary

A CERTIFIED COPY:  
  
**RENATO F. GILERA**  
Records Officer III