

**BY THE PRESIDENT OF THE PHILIPPINES**

**MEMORANDUM CIRCULAR NO. 9**

**PROHIBITING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS (GOCCs) FROM REFERRING THEIR CASES AND LEGAL MATTERS TO THE OFFICE OF THE SOLICITOR GENERAL, PRIVATE LEGAL COUNSEL OR LAW FIRMS AND DIRECTING THE GOCCs TO REFER THEIR CASES AND LEGAL MATTERS TO THE OFFICE OF THE GOVERNMENT CORPORATE COUNSEL, UNLESS OTHERWISE AUTHORIZED UNDER CERTAIN EXCEPTIONAL CIRCUMSTANCES**

**WHEREAS**, there is a need to reduce government expenditures by minimizing the expenses of government-owned or controlled corporations (GOCCs) which hire private lawyers and law firms, considering the high cost of retainers, fees and charges that are paid to said private lawyers and law firms;

**WHEREAS**, one way of realizing savings on the part of government-owned or controlled corporations (GOCCs) is to implement and enforce pertinent laws and regulations which prohibit GOCCs from hiring private retainers and law firms to handle their cases and legal matters, and those which direct GOCCs to refer their cases and legal matters to the Office of the Government Corporate Counsel (OGCC) for proper handling;

**NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**SECTION 1.** All legal matters pertaining to government-owned or controlled corporations, their subsidiaries, other corporate off-springs and government acquired asset corporations (GOCCs) shall be exclusively referred to and handled by the Office of the Government Corporate Counsel (OGCC).

GOCCs are thereby enjoined from referring their cases and legal matters to the Office of the Solicitor General unless their respective charters expressly name the Office of the Solicitor General (OSG) as their legal counsel.

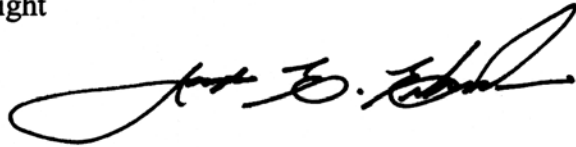
However, under exceptional circumstances, the OSG may represent the GOCC concerned, Provided: This is authorized by the President; or by the head of the office concerned **and** approved by the President.

**SECTION 2.** All pending cases of GOCCs being handled by the OSG, and all pending requests for opinions and contract reviews which have been referred by said GOCCs to the OSG, may be retained and acted upon by the OSG; but the latter shall inform the OGCC of the said pending cases, requests for opinions and contract reviews, if any, to ensure proper monitoring and coordination.

**SECTION 3.** GOCCs are likewise enjoined to refrain from hiring private lawyers or law firms to handle their cases and legal matters. But in exceptional cases, the written conformity and acquiescence of the Solicitor General or the Government Corporate Counsel, as the case may be, **and** the written concurrence of the Commission on Audit shall first be secured before the hiring or employment of a private lawyer or law firm.

This circular shall take effect immediately.

**DONE** in the City of Manila this 27<sup>th</sup> day of AUGUST in the year of Our Lord, Nineteen Hundred and ninety-eight



By authority of the President:



**RONALDO B. ZAMORA**  
Executive Secretary

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