

**PAPER FOR THE BUREAU OF FIRE PROTECTION RE:
WAYS IN PREVENTING GRAFT AND CORRUPTION**

**Makiling Highlands, Capt Mamon Road, Pansol, Calamba, Laguna
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By

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Good Morning!

On 27 June 2006, I had the opportunity to be with some of your men and women who were attending the scheduled BFP-Spiritual and Moral Enhancement Program (SMEP) for NCR - held in Quezon City.

That engagement gave me so much fulfillment, as I really appreciated the extent of political will being exercised by your organization's leadership, in ensuring that you are getting what you need, to enable you to move forward, and become real public servants, by promoting righteous leadership and value formation among BFP's personnel – things like - generating awareness, understanding and appreciation on GOD-centeredness, self sacrifice and anti corruption reforms and initiatives that are geared towards a less corrupt BFP!

This is a major concern of PAGC!

No one from your group knows that the BFP is, actually, the very first agency, that I vowed to give special attention under my rein as the PAGC Chair. One of the reasons is triggered by the very first case I worked on at PAGC upon my assumption as its Chair in August of 2004, triggered by the findings - as a result of the review of pending cases that I inherited from my predecessors.

This involved a BFP official alleged to have committed anomalies related to the missing pension funds for BFP retirees amounting to over P24.0 million and other complaints on diversion or juggling of funds, ghost transactions specially in the

procurement of office supplies, repair of service vehicles and even improvements in the offices – which accordingly involved some P11.0 million. Records likewise showed that a preventive suspension for 90 days on the subject official had been recommended by PAGC as early as March 2004, to allow the conduct of an impartial investigation, but up to the time of my assumption in late August, the said recommendation had not been acted upon. Approval was finally given in September, and implemented the following month, thus, the appointment of an Officer-in-Charge, who is now, your Chief Superintendent, Director Rogelio Asignado.

I will not forget the contents of Dir Asignado's October 2004 letter to PAGC, upon his assumption as OIC as he committed *"to always uphold his sworn duty as public servant, aspire for service excellence and place himself to the service of GOD, country and people."* And he closed his letter by asking GOD to bless me, my entire Commission and the people close to my heart – always.

And, I would like to personally express here, my sincere appreciation for what he expressed then. It looks like, GOD listened to and granted his prayers – the PAGC has indeed been a recipient of so many blessings from the LORD! And, despite and in spite of the "threats" – we, at the Commission, are okay! And so are the people closest to my heart. Thank you Director Asignado!

Likewise, I am convinced that Director Asignado made true to his promise as regards his role in leading BFP and there are more than enough evidences pointing to the right direction that BFP is headed to. The conduct of the series of workshops cum spiritual formation is one. The other accomplishments contained in your interactive presentation last Wednesday during your 15th anniversary celebration is revealing.

And, of course, we count on the previous months' observations as to how the Bureau is responding to the Macapagal-Arroyo's call for an intensified campaign against graft and corruption through good governance – as contained in your regular

submission to PAGC of how you are implementing your Integrity Development Action Plan (IDAP) commitments.

Although, I would like to remind you that we have not gotten your May and June accomplishment reports yet.

Given all these developments, the next thing to do, is to ensure sustainability of the gains – and, this will require an expansion of support base that your Bureau can depend on – that means, Director Asignado and the rest of your officials, specially Sr Supt Danilo R. Cabrera – for keeping true to his add-on role as the Chairman of the Bureau of Fire Protection’s Integrity and Anti-Corruption – will need more allies from within your Bureau. .. to help cascade, both laterally and vertically, the anti-corruption programs in place in some areas at the BFP National Headquarters.

And the allies should come from all ranks – with this group – composed of the high and middle ranking officers – as the ideal base to start with; and,

slowly but surely cascading to cover all the members of the BFP family in each of the Directorates and to cover everyone, from officials to the lowest ranking firefighters or employees in the National Headquarters and in the Regional Offices.

To do all these will greatly be dependent on your internal thrusts and policies on how to further strengthen your organization.

PAGC’s contribution will be in the form of providing you with the assistance in ensuring that the national anti-corruption plan and measures to institutionalize these – are fully explained to you including the necessary monitoring schemes that will help you check your progress as regards efficient and effective implementation of these anti-corruption programs.

This command conference is actually a very good venue to talk about ways of fighting corruption.

And coming from a hurting experience brought about by not so good news about BFP in the past and moved by the desire to do cleansing and improve the public's perception as regards sincerity and professionalism within the Bureau, I don't see any reason why your plans will not materialize. **As Rick and Kaye Warren of the Bestseller's Purpose Driven Life emphasized in their various talks last week – the choice on how you are to live your life and of course do your tasks – will be dependent on your own choice!** If this is so, then, let us all together make the right choice now!

And that choice is of course – to move on, carry on an intensified fight against graft and corruption! And, we need to hope, to believe – that this choice will materialize.

Last June, I shared with your officials attending the SMEP an editorial that left a mark as such talked about:*”To hope, we must be optimistic. To be optimistic, we must always feed ourselves with positive thoughts.”*

And this is exactly what you and I have been doing.

And now, we shall talk about the many things that are specially focused on how we worked and shall work together in our nation building tasks as your Deputy Chief for Administration Chief Superintendent Collado has asked me to talk about **“Ways in Preventing Graft and Corruption”**.

And there are so many ways to do this –

+ one can first take a look at himself to find out what he can do and cannot do to prevent graft and corruption; then,

+ he can start looking at how to address the limitations he earlier identified and building on his strengths;

+ he can proceed by looking at his place of work – finding out if he has enough knowledge of the meaning of graft and corruption, the provisions of anti-graft and corruption laws, rules and regulations;

+ his own office's rules – the dos and the don'ts; his own compliance to these rules; his peers' and superiors' compliance and start listing his observations and findings and craft recommendations.

There could be too many things to write, and chances are, one will get tired doing it, and if, the logistical support, and worst, the kind of support that will ensure his own safety for what he is doing – are wanting – then, we know that the next scenario will show that person abandoning his desire to prevent graft and just concentrate on other things.

This is the reason why the government has specifically lined up its thrusts and programs to fight graft and corruption, for people not to feel at a loss on how this cancer can be fought and won.

And I will share with you how our President did it.

In January 2001, the Macapagal-Arroyo administration, on her first day of presidency, adopted the fight against graft and corruption as a flagship project.

The extent of effort being exerted by our present administration on this area has never been seen in the past administrations.

Only during President Macapagal – Arroyo's term that graft and corruption is being fought the way our government is waging a battle on this area – with so much

political will and with the corresponding logistical requirements and capability building programs....

We have clear evidences of how this was done, emphasizing the reality, that the thrust and pronouncements, are not mere rhetorics, not mere propaganda, not papogi points.

From 2001 to date, we have a number of issuances mandating the implementation of anti-corruption programs. These take the form of:

- **administrative measures**
- **legislative action**
- **greater people participation**
- **lifestyle checks,**
- **procedural reforms aimed at cutting red tape in government transactions,**
- **aggressive prosecution against officials suspected of having enriched themselves through illegal means**

In 2004, the President ordered an intensified campaign against graft and corruption and this was backed up by clear and attainable targets as reflected in a whole chapter, that is Chapter 21 on Anti-Corruption of the **2004-2010 Medium Term Philippine Development Plan (MTPDP)** of the Macapagal-Arroyo Administration and followed by Chapter 22 which is on Bureaucratic Reforms

Chapter 21 specifically stresses three areas of reforms on anticorruption efforts which are:

- a) **punitive measures that include effective enforcement of anti-corruption laws; enforcement mechanisms within revenue generating agencies; lifestyle check and other programs**

- b) **preventive measures that include strengthening of anti-corruption laws; improvement of integrity systems; improvement of systems and controls**
- c) **and, promotion of zero tolerance for corruption through societal values formation and active participation and involvement of the public in the fight against corruption**

Chapter 22, on the other hand, says: “To improve the quality and efficiency of public service, the government shall adopt institutional improvements in the bureaucracy...”

Further, in the July 2004 State of the Nation Address (SONA), the President clearly spelled out these thrusts as she said: “Is there a reason we cannot all work together? All that is needed is to clear away a couple of obstacles, as I intend to do with five key reform packages..” And she enumerated these as: “...job creation, anti-corruption through good government, social justice, education, and energy dependence..”

With these thrusts as our guide came the following initiatives,

- + we, pursued anti-corruption fight through the collective efforts of our three (3) branches of government – the executive, legislative and judiciary; the independent accountability agencies in collaboration and cooperation with the other members of the society – the academe, business sector, media, the faith-based organization, and the civil society as well as non-government organizations.**
- + The government launched an aggressive investigation and prosecution with the basic objective of making corruption a high-risk, low-reward business. Among the many initiatives under this project are the:**
- + Infusion of additional budget to the Office of the Ombudsman to enable it to increase its investigators and prosecutors to strengthen its investigative capability.**

The effects of the decisions and actions taken in 2002/03 to date have been notable. For example, the conviction rate of the Ombudsman in the Sandiganbayan has increased from a low of 13% in 2003 to close to 40% in 2005 and the conviction rate is expected to grow higher onwards.

Another notable result towards making corruption a high-risk activity is that more high-ranking officials in high-risk agencies have been suspended and dismissed. In the list of those sanctioned are top officials of different ranks: Undersecretary, Assistant Secretaries, Directors, Commissioners, Assistant Commissioners, other Heads of various Agencies, Heads of GOCCs and GFIs, and even military officers whose ranks – once upon a time no one dared to touch.

The impact of these aggressive investigations and prosecutions are arguably being felt, notably in reducing corruption in tax payments, as reported in the SWS surveys. The question to ask is what accounts to the decline? If trend analysis is done, it will really continue to go lower.

The thinking is that it is riskier now than before – as people see that there are more petitions for civil forfeiture (Assets of accused are being frozen and seized); More cases against tax evasion and smuggling filed against public officials and private businessmen (Run After Tax Evaders (RATE) and Run After The Smugglers (RATS) campaign; and, 3. Improving revenue collections

+ the conduct of lifestyle check which is a very simple and effective strategy that mobilizes the citizenry who assist in the gathering of data and information, particularly in the identification of public officials who are living beyond their means. The lifestyle probe is a priority project of the inter-agency anti-graft coordinating council (IAAGCC) which is composed of the office of the ombudsman as the lead agency, COA, CSC, PAGC, DOJ, DOF and the NBI.

Criminal cases were likewise filed with the Lower Courts as an offshoot of the results of the investigation done thru lifestyle.

+ issuance of Preventive Suspension have likewise been resorted to – as a preparatory work to the conduct of further investigation to determine possible administrative and criminal liability, as well as forfeiture of ill-gotten wealth, if warranted. As in the case of one of the top officials of the BFP.

+ project case assist/operation “big fish” which aims to indict and successfully prosecute high impact cases involving the most powerful and influential public officials. This is another showcase of the public-private sector collaboration as competent private lawyers are being tapped to assist in handling the “big fish cases.”

+ Likewise, all involved government agencies are working on an arrangement that will expedite prosecution.

+ Implementation of the Judiciary’s Action Program for Judicial Reform which is a six year comprehensive reform program to enhance judicial conditions and performance for an improved delivery of judicial services.

This envisions the provision of quality, ethical, accessible and cost-effective legal service.

+ Unblocking judicial obstacles. There are now several efforts to address this judicial obstacle through legislations that are aimed at enhancing courts’ efficiency, streamlining operations and installation of a caseflow management software in the court

+ The implementation of the Government Procurement Reform Act to enhance transparency in the government bidding system by overhauling the process and opening it up including the use of electronic bidding to plug long-standing loopholes that may be exploited by unscrupulous officials, in collusion with bidders. This

generated competitive prices and reduced government processing time resulting in 30% savings in government procurement.

The targets set on the anticorruption thrust have become and shall remain to be the focus of the government's efforts towards addressing the problems on graft and corruption.

From PAGC's end, we did the following contribution towards these objectives:

- **Crafting the PAGC vision, mission, goals and objectives and the first ever PAGC Medium Term Plan**

And these talk of:

"A Graft and Corrupt-Free Philippines characterized by transparency and accountability in governance, honesty and integrity in the bureaucracy in a corruption intolerant society" for the vision

And for the Mission, we say:

"To be the President's arm in eradicating graft and corruption through effective Deterrence, Prevention and Education in partnership with all stakeholders"

For the Goals, we have:

Under Deterrence (investigation/enforcement) – "to make graft and corruption a high-risk, low-reward activity"

Under Prevention – "to minimize opportunities for graft and corruption and ensure that systems of agencies are corruption-resistant"

For Education – "To promote corruption-intolerant society by raising awareness that mobilizes citizenry and by disseminating good citizenship values and institutionalizing the code of ethics in agencies"

- **Adoption of an anti-graft campaign employing the three-pronged strategy of investigation, prevention and education which made the Hong Kong's Independent Commission Against Corruption or ICAC succeeded in cleansing their once upon a time one of the dirtiest economies in the world.**

- Phasing in of another strategy on Strategic Partnership which cuts across each of the three-other strategies and which is intended to highlight the important roles that each stakeholder is expected to deliver on this fight
- Institutionalization of the thrusts and programs reflective of the PAGC's Vision, Mission, and Goals in covered agencies, initially focusing on the Executive Branch
- Convened over a hundred top officials from more than 40 government departments and offices in a three-day unprecedented Presidential Anti Corruption Workshop in December 2004 to craft the Integrity Development Action Plan (IDAP) which talks about agency-specific measurable initiatives and action plans towards improving images of respective agencies.
- These agency plans and department commitments, served as an integrity pact between the President and the Agency Heads, to ensure implementation of the same starting January 2005. Monitoring as to compliance level has been PAGC's task.

And it is in this area where you and PAGC can exercise the best collaboration towards addressing the problems of graft and corruption.

The IDAP embodies three-pronged approach of Prevention (7 measures), Education (4 measures), and Deterrence (7 measures) with strategic partnership cutting across each of the three strategies. These are:

On the area of Prevention, we have 7 doables:

- 1. strengthening of internal control through the institutionalization of internal audit service**
- 2. conduct of Integrity Development Review or IDR in 5 agencies**

- 3. fast tracking of the electronic New Government Accounting System and electronic bidding for the procurement of goods, services and infrastructure projects**
- 4. incorporating integrity check in recruitment and promotion of government personnel**
- 5. institutionalization of a multi-stakeholder personnel and organizational performance evaluation system**
- 6. protection of meager income of government employees by ensuring a level for take home pay**
- 7. adoption of a single ID system for government officials and employees.**

We have four for the Education Strategies,

- 1. dissemination of compendium of anticorruption laws, rules and regulations**
- 2. preparation of agency-specific code of ethical standards**
- 3. conduct of ethics training, spiritual formation, and moral recovery program for agencies and stakeholders**
- 4. integration of anti-corruption modules for elementary and secondary levels.**

On deterrence or investigation and enforcement, we have seven:

- 1. development of agency Internal Complaint Unit (including the protection of whistleblowers).**
- 2. setting up/strengthening of agency Internal Affairs Unit.**
- 3. publish blacklisted offenders and maintain on-line central database for public access**
- 4. holding superiors accountable for corrupt activities of subordinates**
- 5. effective use of existing agency administrative disciplinary machinery and publication of results of administrative cases handled**

- 6. advocacy for the submission of Income Tax Returns as attachment to the Statement of Assets, Liabilities and Networth**
- 7. PAGC's carrying out of an independent survey to check anti-graft and corruption program effectiveness**

And on Strategic Partnership, we have four:

- 1. linking of existing databases of complementary agencies and sharing of information**
- 2. need to enlist or enhance participation of private sector and civil society in various areas of governance**
- 3. need to tap international development agencies and private sector for support**
- 4. institutionalization of the participation of stakeholders in agency activities**

Specific activities have been undertaken in relation to the oversight functions towards these ends from January 2005 to date, like:

- requirement for monthly submission by IDAP-covered agencies of accomplishment reports**
- conduct of bi-monthly follow-up sessions**
- conduct of Performance Indicators workshop**
- conduct of the semestral IDAP Enhancement Seminar/Workshop**
- conduct of special sessions by special committees to address given requirements**
- issuance of IDAP Circulars serving as guide on IDAP implementation**
- forging of several partnerships with both local and international partners for the provision of much needed assistance taking the form of grants, trainings and the like**
- ensuring that the necessary issuances from the Office of the President are done to support IDAP implementation and sustainability requirements**

and these proved useful and produced positive results as evidenced by the following accomplishments:

+ IDAP is now in over 60 offices from the 40 agencies initially covered, and these are, presented in alphabetical order:

1. Bureau of Customs
2. Bureau of Immigration
3. Bureau of Internal Revenue
4. Bureau of Jail Management and Penology
5. Department of Agrarian Reform
6. Department of Agriculture
7. Department of Budget and Management
8. Department of Education
9. Department of Energy
10. Department of Environment & Natural Resources
11. Department of Finance
12. Department of Foreign Affairs
13. Department of Health
14. Department of Interior and Local Government
15. Department of Justice – Nat'l Prosecution Service
16. Department of Labor and Employment
17. Department of National Defense
 - Armed Forces of the Philippines
18. Department of Public Works and Highways
19. Department of Science and Technology
20. Department of Social Welfare and Development
21. Department of Tourism
22. Department of Trade and Industry
23. Department of Transportation & Communication
24. Housing and Urban Development Coord Council

- **National Housing Authority**
- **Housing and Land Use Regulatory Board**
- **National Housing Mortgage Finance Corp**
- **Housing Guarantee Corporation**
- **Home Development Mutual Fund**

- 25. Land Regulation Authority**
- 26. Land Transportation Office**
- 27. Land Transportation and Regulatory Board**
- 28. Metro Manila Development Authority**
- 29. National Anti-Poverty Commission**
- 30. National Economic Development Authority**
- 31. National Irrigation Authority**
- 32. National Labor Relations Commission**
- 33. Office of the President**
- 34. Office of the Presidential Adviser on Peace Process**
- 35. Office of the Vice President**
- 36. Philippine National Police**

Additional Agencies phased in for 2005 include:

- 37. Bureau of Corrections**
- 38. Social Security Commission/Social Security System**
- 39. Land Bank of the Philippines**
- 40. Government Service and Insurance System**
- 41. Bureau of Fire Protection (your group)**

Others that expressed interest to be covered for 2006

- 42. Province of Bulacan**
- 43. City of Marikina**
- 44. Municipality of Cainta**
- 45. NAPOCOR**

46. SBMA

47. Senate of the Philippines

48. Presidential Council for Values Formation

For the specific **milestones on IDAP**, we have the following, first under the Prevention Strategy:

On the first doable that is on the strengthening of internal control through the institutionalization of internal audit service – the desired outcome from this measure is the revival and strengthening of systems integrity in the agencies covered by IDAP

This measure will address the identified corrupt practices or to soften the impact – corruption vulnerabilities in any agency. At BFP, this will provide solutions to the problems of perceived padding of leave credits of retirees, of delayed processing of retirement benefit claims leading to advance settlement of claims, perceived anomalies in repair works, and there might be many more.

Under this measure -

+ there have been a number of issuances released by the Office of the President calling for the agencies' compliance in the setting up of IAS.

For this year, we are expecting a remarkable level of compliance as the Rationalization and Streamlining Plan or RSP per EO 366 is operationalized.

This is because of the position taken by the Department of Budget and Management (DBM) not to approve any Rationalization and Streamlining Plan (RSP) that does not include an Internal Audit Structure in the proposal and that as committed, DBM will automatically include an IAS unit in respective agencies' structure. DBM has likewise released its position and communication to the agency

Heads and Civil Service Commission on the importance of giving priority to the creation of IAS units and approval of the position classification for internal auditors.

+ this thrust likewise got World Bank's nod as it released US\$ 300,000.00 grant to fund strengthening of internal audit units and internal auditors for better transparency and accountability, initially focusing on the procurement system – for an efficient and effective procurement monitoring and enforcement.

The first two components of this project – that is on mapping of internal audit functions and on the preparation of a generic internal audit manual – has been awarded to the winning service provider, the SGV.

The project worth over P6.0 Million will take about 8 months and there are 15 pilot project beneficiaries which include the Office of the Ombudsman as a representative of the Constitutional bodies, 3 from the Local Government Units – the Province of Bulacan, City of Marikina and Municipality of Cainta. The rest come from the executive branch – DA, DPWH, DOH, DEPED, DILG, DBM-PS, DSWD, DND/AFP, PNP, OP and NAPOCOR.

A downstream assignment of this project, which is Component 3 of the Grant- is on the development of Certification Program for Internal Auditors.

When implemented, this will translate to corruption eradication through:

- the development of a quality assessment program on internal auditing functions**
- a generic internal audit manual**

- a national training program and certification for internal auditors (this can be a downstream assignment for SGV depending on their level of performance)
- and, procurement records management and monitoring system
- the last component is on the strengthening of PAGC as an oversight agency.

Agencies' compliance level to this measure is guided by a list of things to do and to have including the corresponding point systems on a per measure basis. .

Thus for this 1st doable, the indicators are presented on the screen.

| RATING | LEVELS OF ACHIEVEMENT |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Audit findings are available to the public (except those concerning national security) Impact of its effectiveness as a mechanism to prevent corrupt practices and assist management in achieving more effective governance regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Random audits are carried out with reports and recommendations for action provided to the head of the agency * Appropriate follow-up action are taken on any findings as maybe necessary |
| 3 | <ul style="list-style-type: none"> ▪ Internal Audit Unit already operationalized ▪ Internal Audit Unit has a manual of procedures IAU has already complied with the International Standard for the Professional Practice of Internal Auditing and the Code of Ethics promulgated by the (AGIA) |
| 2 | <ul style="list-style-type: none"> ▪ Department Order already disseminated to the employees * Orientation and discussion on the Department Order held Training of Internal Auditors |
| 1 | <ul style="list-style-type: none"> ▪ Department Order creating the Internal Audit Unit, charter, structure and function of which are in accordance with Administrative Order No. 70 and DBM Circular 2004-04, already approved |

On the second doable, that is, on the conduct of Integrity Development Review or IDR in pilot agencies, the first 5 agencies include BOC, BIR, DPWH, PNP and LTO. A lot of processes have already started on these agencies and this is covered by the EC-Ombudsman project. By this time, the final report on the results of the Corruption Resistance Review (which covers Integrity Development Assessment, Survey of Employees, and Analysis of Results) as well as the Corruption Vulnerability Assessment have already been undertaken.

Hopefully, within the year, 10 more agencies will be added to this list, your agency included, with DND/AFP, Bureau of Corrections, DENR, DLR, DOH, DBM-PS, LRTA, NIA and National Transmission Commission.

The rest of the agencies not covered by the EC-OMB project, have been provided with a copy of the “Do-It-Yourself Manual” to help them prepare for the IDR process.

Most of you might wonder what IDR is all about. Hence, the need for a little explanation.

IDR is a preventive measure against corruption that aims to build institutional foundations to prevent corruption before it occurs. This entails a systematic diagnosis of the corruption resistance in place in an agency and its vulnerabilities to corruption. Here, 10 components are being evaluated and these 10 are clustered into three areas:

The Individual – where we have leadership, code of ethics, and gifts and benefits policy

Second Group is on Organizational – where he have recruitment and promotion, performance management, procurement, financial management, internal reporting, and corruption risk management

The last group is on environment which focus on managing interface with stakeholders.

Seeing the components, one can easily understand this process’ objectives. And these are:

- ✓ **Determine the level of integrity development within the agency**
- ✓ **Identify the agency’s vulnerability to corruption**
- ✓ **Assess the adequacy of agency’s safeguards to forestall corruption**
- ✓ **Prepare a Corruption Prevention and Integrity Enhancement Plan**
- ✓ **Establish benchmarks by which agency performance and results of anti-corruption programs can be monitored**

For this measure, our indicators are flashed on the screen:

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ IDR findings already presented and validated with the management/head of agency ▪ Agency already prepared an agency anticorruption/integrity development plan (Roadmap) ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Corruption Vulnerability Assessment already conducted which includes: <ul style="list-style-type: none"> ○ Preparation of a Site Visit Plan ○ Process map ○ Risk Assessment ○ Evaluation of controls and safeguards |
| 3 | <ul style="list-style-type: none"> ▪ Corruption Resistance Review (CRR) already conducted which includes: <ul style="list-style-type: none"> ○ Integrity Development Assessment (IDA) ○ Survey of Employees |

| | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> ○ Analysis of Results |
| 2 | <ul style="list-style-type: none"> ▪ Assessors to constitute IDR team identified and trained ▪ IDR implementation plan for the agency already prepared |
| 1 | <ul style="list-style-type: none"> ▪ MOA among the agency, service provider and PAGC or OMB already signed (should include the scope of the IDR and the terms of reference, timeframe, resource and manpower requirements for the conduct of the IDR) |

On the fast tracking of the electronic New Government Accounting System and electronic bidding for the procurement of goods, services and infrastructure projects – per COA’s latest report submitted to the Commission,

**+ eNGAS is installed in 85 agencies nationwide (63 NGAs, 2 GOCCs, 20 LGUs);
on going roll out in 40 agencies (14 NGAs, 6 GOCCs, 20 LGUs); and,
for roll out in 174 agencies (76 NGAs, 24 GOCCs, 74 LGUs).**

And in the last Budget Hearing last September for COA at the upper House, the senators indicated interest in providing funds for the completion of installation of eNGAS in all offices nationwide and to cover all LGUs as well as the offices under the other branches of government (legislative and judiciary)

When in place, it is expected that there will be greater transparency, correct, reliable, complete and timely recording of government financial transactions and reports.

This will surely address the perceived anomalies in BFP bidding/procurement processes, POL distribution and disposition, ghost deliveries, non-existing or

fictitious dealers and even the alleged fabrication of official delivery receipts and similar liquidation related instruments.

The indicators here are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ e-NGAS in place and operational |
| 3 | <ul style="list-style-type: none"> ▪ Concerned personnel already trained on e-NGAS |
| 2 | <ul style="list-style-type: none"> ▪ MOA between COA (Government Accounting and Finance Management Information System) and the head of agency on e-NGAS implementation already signed ▪ Employees already oriented on the MOA |
| 1 | <ul style="list-style-type: none"> ▪ Agency already complied with all the E-NGAS requirements which include: <ul style="list-style-type: none"> ○ Server System Requirements ○ Workstation requirements ○ People ware requirements ○ Local Area Network (LAN ○ Existing System |

On the fourth doable that is on incorporating integrity check in recruitment and promotion of government personnel – IDAP covered agencies have been briefed of the importance of factoring in lifestyle check and background check in the components of integrity check.

Parameters/guidelines for the efficient implementation of this measure is being crafted by a Consultant.

This is the one you need to address the perceived anomaly in recruitment, promotion, medical examination and award systems.

The indicators are....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact as to its effectiveness as a mechanism to prevent corrupt practices regularly assessed ▪ Results of the review used to enhance the recruitment and |

| | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | promotion process |
| 4 | Performance of the personnel selection/promotion review board regularly reviewed |
| 3 | <ul style="list-style-type: none"> ▪ Integrity check incorporated during the recruitment and promotion process based on the approved guidelines |
| 2 | <ul style="list-style-type: none"> ▪ Written guidelines for the inclusion of integrity check in the recruitment and promotion process communicated to all employees ▪ Agency has a functioning personnel selection/promotion review board ▪ HRD personnel and members of the selection/promotion review board trained in conducting integrity check |
| 1 | <ul style="list-style-type: none"> ▪ Department Order and written guidelines for the inclusion of integrity check in its recruitment and promotion process in accordance with CSC guidelines approved |

On the institutionalization of a multi-stakeholder personnel and organizational performance evaluation system, IDAP covered agencies have been reminded to use performance evaluation system in accordance with CSC guidelines on the matter specially on the use of the Performance Management System that includes a numerical evaluation of outputs and outcomes to IDAP participating agencies. PAGC has been emphasizing that performance evaluation should not be tied up to the granting of productivity bonus but should instead be directly anchored on meritorious performance.

The indicators here are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Results of the review used to promote good behavior and performance of employees ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ System for rewarding good performance and sanctioning poor performance in place ▪ Multi-stakeholder performance evaluation system regularly reviewed and improved |

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | |
| 3 | <ul style="list-style-type: none"> ▪ Multi-stakeholder performance evaluation system conducted regularly |
| 2 | <ul style="list-style-type: none"> ▪ Orientation of the employees on the multi-stakeholder performance evaluation system conducted ▪ Composition of the Performance Evaluation Review Committee (PERC) already identified |
| 1 | <ul style="list-style-type: none"> ▪ Department Order and written guidelines to implement a multi-stakeholder performance evaluation system in accordance with CSC Memorandum Circular No. 13, s. 1999 approved and disseminated |

Next is on the protection of meager income of government employees by ensuring a level for take home pay (equivalent to the minimum threshold necessary to sustain a family's basic needs of both food and non-food requirements). Here, the Office of the President, On 19 September 2005, issued E.O. 462 which is on Adopting Measures and Safety Nets to Protect Government Employees, Creating the Committee on Protection of Income of Government Employees, and Other Purposes. And as you are aware of, PGEA is the Vice Chair for this Committee.

The parameters for ratings are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | Level of implementation of the Department Order and guidelines regularly reviewed |
| 3 | Amount of take-home pay of employees in accordance with the D.O. and guidelines (D.O. operationalized) |
| 2 | Orientation on the Department Order and guidelines conducted to all employees |
| 1 | Department Order and written guidelines in accordance with GAA provision on the minimum amount of take-home pay of the employees approved and disseminated |

And on the last doable under prevention strategy, that is on the adoption of a single ID system for government officials and employees, NEDA released the IRR for its implementation last year but we see implementation middle of this year after the

Supreme Court’s ruling saying that there is nothing wrong with E.O. 420 on the use of single ID system for public servants.. This measure aims to enhance the integrity and reliability of government-issued ID cards.

This is expected to be in place this year.

For accomplishments on the Education area:

Under the first measure, that calls for the dissemination of compendium of anticorruption laws, rules and regulations – per Office of the Ombudsman, the targeted uploading of the subject laws, rules and regulations has been set for the early part of 2006.

The USAID-ROLE is also preparing an anticorruption case digest which is expected to be completed and to be disseminated within this year.

IDAP-covered agencies, on the other hand, have resorted to the dissemination of laws, rules and regulations applicable to their mandates.

The indicators for this measure are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none">▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none">▪ All computers in the agency have anti-corruption laws, rules and regulations that could be downloaded and printed▪ Anti-corruption laws, rules and regulations displayed in conspicuous places |
| 3 | <ul style="list-style-type: none">▪ Orientation on anti-corruption laws, rules and regulations with the employees conducted |
| 2 | <ul style="list-style-type: none">▪ Department Order for the compilation of anti-corruption laws, rules and regulations (applicable to the agency) approved and disseminated |

| | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | <ul style="list-style-type: none"> ▪ Research, compilation and coordination with an anti-corruption agency like PAGC or Ombudsman done ▪ Compiled anti-corruption laws, rules and regulations approved for dissemination |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

On the preparation of agency-specific code of ethical standards, IDAP covered agencies have been provided with the Ombudsman’s template which they can use to pattern their own codes with emphasis on the contents to include instilling values and ethics in reinforcing principles under RA 6713 (which is the Code of Conduct and Ethical Standards for Public Officials and Employees) specifically on –

- + prohibition on financial and material interest**
- + prohibition on outside employment**
- + disclosure and/or misuse of confidential information**
- + solicitation or acceptance of gifts**
- + mandatory filing of SALS**
- + disclosure of business interests and financial connections**
- + proper divestment to avoid conflict of interest**

The indicators are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ The agency code of ethical standards regularly reviewed for effectiveness in specifying and promoting desired behavior of employees ▪ The code of ethical standards integrated in all operating systems of the agency (e.g. human resource management, procurement) ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Employees’ record of adherence to or violation of the agency code of ethical standards used as one of the considerations for promotion ▪ Rewards given to officials and employees who consistently exhibit behavior consistent with the agency code of ethical standards |
| 3 | <ul style="list-style-type: none"> ▪ Agency-specific code of ethical standards consistently |

| | |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>enforced, with managers having clear tasks of promoting and monitoring compliance</p> <ul style="list-style-type: none"> ▪ Applicable provisions of the code of ethical standards included in contracts with external parties (e.g. suppliers) |
| 2 | <ul style="list-style-type: none"> ▪ Agency-specific code of ethical standards and reward and sanction guidelines approved and disseminated Employees oriented and made to sign a sworn commitment to comply with the code of ethical standards |
| 1 | <ul style="list-style-type: none"> ▪ Department Order creating an agency-specific code of ethical standards consistent with RA 6713 approved and disseminated |

In the 20 December joint Cabinet, National Security Council and NEDA Board meeting, the President gave the instruction to have these two measures given more attention and ensure that all agencies shall register compliance to these within this year.

The third is on the conduct of ethics training, spiritual formation, and moral recovery program for agencies and stakeholders. The desired outcome here is to have more government employees with renewed sense of idealism. And the indicators here are:

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Trainings conducted reviewed and evaluated ▪ Trainers evaluated |
| 3 | <ul style="list-style-type: none"> ▪ Trainings conducted in accordance with the training plan |
| 2 | <ul style="list-style-type: none"> ▪ Trainings to be conducted yearly and pool of trainers identified ▪ Training program plan approved |
| 1 | <ul style="list-style-type: none"> ▪ Department Order prioritizing ethics training spiritual formation and moral recovery program approved and disseminated ▪ Discussions, studies and coordination with agencies on appropriate trainings on values formation conducted |

The last doable is on the integration of anti-corruption modules for elementary and secondary levels. This is a project undertaken by the Office of the Ombudsman and the Department of Education and Culture. The teaching exemplars affirm the indispensability of values education programs that focus on building personal honesty, integrity and competence in every member of the society.

The exercise of oversight function on the implementation of the education measures are being turned over to the Presidential Council on Values Formation for PAGC to have more time for the next strategy, that is on deterrence or investigation and enforcement.

On deterrence or investigation and enforcement, we have the following highlights:

Under the first measure, that calls for the development of agency Internal Complaint Unit (including the protection of whistleblowers). The objective of this measure is to facilitate exposure of graft and corruption and any form of ethical misconduct within an agency and to motivate more informants to come out overcoming the social belief or taboo on denouncing fellow citizens.

PAGC is conducting continuous coordination with the IDAP focal persons of each agency and with DBM to ensure that the agency proposals for RSP approval would have this in their structures.

The indicators are....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none">▪ The agency regularly assesses whether the internal reporting system being used is an effective mechanism to prevent corrupt practices▪ Results of the assessment used to improve and enhance the internal reporting process |
| 4 | <ul style="list-style-type: none">▪ The agency protects and rewards employees who report |

| | |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | corrupt behavior |
| 3 | <ul style="list-style-type: none"> ▪ The agency has an internal reporting system which follows a standard processing time and specifies roles and responsibilities for accepting reports and giving advice to employees who want to report corruption ▪ The agency records steps taken on complaints and provide feedback to complainants ▪ Coordination with Internal Affairs Unit on-going |
| 2 | <ul style="list-style-type: none"> ▪ Employees oriented on the procedures for reporting corrupt incidents ▪ Relevant personnel trained on the handling of complaints and reports of corruption |
| 1 | <ul style="list-style-type: none"> ▪ Department Order creating ICU and guidelines (which specify what constitutes corrupt and unethical behavior and the responsibilities for reporting) approved and disseminated |

The second doable is on the setting up/strengthening of agency Internal Affairs Unit. This aims to have a stronger investigative capability within the agency and faster resolution of graft and corruption cases.

PAGC is helping covered agencies by sharing its processes, forms and guidelines developed and incorporated in PAGC’s complaints and case management Manual of Operations which was developed through the assistance of USAID-ROLE. Work here is a direct manifestation of positive moves under this doable and an exercise of acceptance of ones’ responsibilities and accountabilities. This addresses the challenge posed by Her Excellency for each of the selected 10 agencies to submit at least a case per quarter involving a “big fish” to either the Office of the Ombudsman or PAGC as a means to fight graft and win the same fight. These 10 select agencies are: DEPED, BIR, BOC, DENR, DPWH, DLR, DOH, DOJ, DILG and NLRC. We have noted DOH’s, BIR’s and DPWH’s compliance on this.

The indicators are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|------------------------------|
|---------------|------------------------------|

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ The agency regularly assesses whether the investigation system being used is an effective mechanism to prevent corrupt practices ▪ Results of the assessment used to improve and enhance the investigation process |
| 4 | <ul style="list-style-type: none"> ▪ Coordination with other anti-corruption body (e.g. PAGC and OMB) on-going ▪ The agency imposes appropriate sanctions to erring employees and officials |
| 3 | <ul style="list-style-type: none"> ▪ The agency has an investigation system which follows a standard processing time and specifies roles and responsibilities for conducting investigations |
| 2 | <ul style="list-style-type: none"> ▪ The agency regularly disseminates information on the disposition of cases ▪ Relevant personnel trained on investigation |
| 1 | <ul style="list-style-type: none"> ▪ Department Order creating IAU and guidelines approved and disseminated |

Then, we have the need to publish blacklisted offenders and maintain on-line central database for public access. For this year, the President has a very specific instruction for PAGC to give more focus on this measure. Hence, the Commission is now conducting press conferences in connection with affirmed cases carrying punitive recommendations.

In 2005, there were 2 top officials dismissed from their respective offices – an Assistant Secretary from the Office of the President and a Regional Director of the National Commission on Indigenous Peoples (NCIP). Most of the cases resolved that year carried non-punitive recommendations.

For 2006, however, the first seven months of the year registered a total of 175 complaints processed by PAGC, 61 of which have been resolved and endorsed to the Office of the President for review/decision. Of these 61, 21 or 34 percent carried punitive recommendations like dismissal from office with accessory penalties that

include forfeiture of financial benefits, cancellation of eligibility and perpetual disqualification to hold public office.

Of these, 43 (71%) have been affirmed by the Office of the President and that included, among others, affirmation of 6 punitive recommendations, thus, the dismissal from Office of three top officials – the Chairman of PHILRACOM, the Administrator of NDA and a Regional Director of BLGF and DSWD; an Assistant Regional Director of DTI; suspension of a Director from the Office of the President for 6 months without pay, and of a Division Superintendent from Cebu for 3 months, also, without pay

The remaining cases pending before the Office of the President, with punitive sanctions, involve an Undersecretary, two (2) Assistant Secretaries, Heads of Offices, and Directors.

Part of the pending cases before PAGC, are nine (5) cases about to be resolved within the month with higher probabilities of resulting to punitive recommendations.

On the blacklisting, to be considered are employees or officials, found guilty of violations and whose sanctions involve dismissal with perpetual disqualification from public office or whoever is covered by cases whose decisions have become final and executory.

Also included are suppliers who violated the Procurement Law (this is done through GPPB and to date, and per World Bank's records, there are over 1000 blacklisted firms in GPPB website for procurement violations).

The outcome of this measure is to have greater perception of corruption being a high risk, low reward activity.

The indicators are....

| RATING | LEVELS OF ACHIEVEMENT |
|--------|-----------------------|
|--------|-----------------------|

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed ▪ Results of the assessment used to improve or modify the measure |
| 4 | <ul style="list-style-type: none"> ▪ Policies on blacklisting regularly reviewed and improved |
| 3 | <ul style="list-style-type: none"> ▪ Blacklisted offenders published in agency publication, in the website and made available to the public |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on the publishing of blacklisted offenders held |
| 1 | <ul style="list-style-type: none"> ▪ Department Order and guidelines (with consideration on the legal implications) directing the publish of blacklisted offenders approved and disseminated |

Fourth is on holding superiors accountable for corrupt activities of subordinates. The desired outcome is for superiors to become conscientious in preventing corrupt activities of their subordinates.

On this, PAGC issued IDAP Circular No 2 – 2006 to serve as guide on how this measure is to be addressed. It specifically states the existing rules upon which this can best be practiced, the ones taken from Section 38, Chapter 9, Book 1 of the Administrative Code of 1987, that says:

- 1. A public officer shall not be civilly liable for acts done in the performance of his official duties unless there is a clear showing of bad faith, malice or gross negligence.**
- 2. Any public officer who, without just cause, neglects to perform a duty within a fixed period by law or regulation, or within a reasonable period if none is fixed, shall be liable for damages to the private party concerned without prejudice to such other liability as may be prescribed by law.**
- 3. A head of a department or a superior officer shall not be civilly liable for the wrongful acts, omissions of duty, negligence, or misfeasance of his subordinates, unless he has actually authorized by written order the specific act or misconduct complained of.**

Likewise, as a general rule, superior officers cannot be held liable for the acts of their subordinates, however, there was a ruling which noted several exceptions and suggests that the superior officer may be held liable. This is the one by Mechem (Cruz, Liability of Public Officers 2003 Edition) with the following issues:

1. where, being charged with the duty of employing or retaining his subordinates, he negligently or willfully employs or retains unfit or improper persons;
2. where, being charged with the duty to see that they are appointed and qualified in a proper manner, he negligently or willfully fails to require of them the due conformity to the prescribed regulations;
3. where he so carelessly or negligently oversees, conducts or carries on the business of his office as to furnish the opportunity for the default; and,
4. a fortiori where he has directed, authorized or cooperated in the wrong.

The indicators for this measure are:

| RATING | LEVELS OF ACHIEVEMENT |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Guidelines and rules of procedures regularly reviewed and improved ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed ▪ Results of the assessment used to improve or enhance the measure |
| 4 | <ul style="list-style-type: none"> ▪ Superiors are held accountable/sanctioned for corrupt activities of their subordinates in accordance with the guidelines |
| 3 | <ul style="list-style-type: none"> ▪ System in holding superiors accountable for corrupt activities of subordinates in place and operational |
| 2 | <ul style="list-style-type: none"> ▪ Employees and heads oriented on the doctrine of command responsibility |

| | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | <ul style="list-style-type: none"> ▪ Department Order holding superiors accountable for corrupt activities of subordinates and guidelines in accordance with E.O. 292 approved and disseminated |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Fifth is on the effective use of existing agency administrative disciplinary machinery and publication of results of administrative cases handled.. This hopes to achieve greater adherence to and a more proactive implementation of the administrative disciplinary machinery.

The indicators are...

| RATING | LEVELS OF ACHIEVEMENT |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Existing agency administrative disciplinary machinery regularly reviewed and improved |
| 3 | <ul style="list-style-type: none"> ▪ Reports on the implementation of existing agency administrative disciplinary machinery regularly submitted to the agency head |
| 2 | <ul style="list-style-type: none"> ▪ Orientation/reorientation of employees on existing agency administrative disciplinary machinery conducted |
| 1 | <ul style="list-style-type: none"> ▪ Department Order reinforcing the use of existing agency administrative disciplinary machinery approved and disseminated |

Sixth is on advocacy for the submission of Income Tax Returns as attachment to the Statement of Assets, Liabilities and Networth.

The objective is to have increased transparency on the income and net worth of public servants.

The indicators are....

| RATING | LEVELS OF ACHIEVEMENT |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Copies of the ITRs as attachment to the SALN of presidential appointees submitted for PAGC database ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ The agency rewards employees who attached their ITR to their SALN |
| 3 | <ul style="list-style-type: none"> ▪ ITRs of personnel with other sources of income attached to their SALN |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on the relevance of attaching the ITR to the SALN held |
| 1 | <ul style="list-style-type: none"> ▪ Department Order advocating submission of ITR as attachment to the SALN |

Seventh is on PAGC's carrying out of an independent survey to check anti-graft and corruption program effectiveness.

This employs the use of measurable evaluation indicators already being used as basis for assessing level of agency compliance and later on hopes to measure value-added as regards improvement in the level of perception of covered agencies integrity and governance.

On Strategic Partnership:

Updates here include reports of actual collaboration with the other members of the society to strengthen the fight against graft and corruption.

First is on linking of existing databases and sharing of information with complementary agencies is concerned. The desired outcome is to have greater sharing of information and increased incidence of collaborative undertakings among agencies as they do their respective tasks.

The indicators are:

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed |
| 4 | <ul style="list-style-type: none"> ▪ Report on the utilization of the information shared ▪ Linking of existing databases to complementary agencies regularly reviewed and improved |
| 3 | <ul style="list-style-type: none"> ▪ Sharing of databases and information between/among agencies on-going |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on sharing of information with other agencies conducted |
| 1 | <ul style="list-style-type: none"> ▪ Department Order and guidelines on sharing of information approved and disseminated |

For this year, PAGC started collating the IDAP-covered agencies' hotline numbers for assistance and complaints as well as information on anti corruption measures being implemented apart from the IDAP.

The collated information shall be uploaded to PAGC website (pagc.gov.ph) by 3rd quarter of 2006 for easy access of the general public.

Second is on the need to enlist or enhance participation of private sector and civil society in various areas of governance.

The desired outcome from this measure is to have greater vigilance and strategic investments in various forms by the private sector and civil society.

The indicators for this measure are:

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Regular review and study of the involvement of private sector and civil society conducted ▪ Results of the review used to improve partnership ▪ Impact regularly assessed if it is an effective mechanism to prevent corrupt practices |
| 4 | <ul style="list-style-type: none"> ▪ Operational process where inputs from private sector and |

| | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | civil society are taken into consideration--in place |
| 3 | <ul style="list-style-type: none"> ▪ Private sector and civil society involved in various agency-activities related to the promotion of good governance |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on the signed MOA conducted |
| 1 | <ul style="list-style-type: none"> ▪ MOA (with guidelines specifying the extent of participation) formalizing private sector and civil society participation signed/approved and disseminated |

PAGC's share on this measure is in expanding its networking with the other stakeholders to bring IDAP and its covered agencies closer to the public. Thus, partnerships/collaboration with the following groups, have been forged:

With the Philippine Government Employees Association

With the Procurement Watch,

Inter-Agency Anti-Graft Coordinating Council, Coalition Against Corruption – specifically the Transparency and Accountability Network,

Office of the Ombudsman for the European Commission – Office of the Ombudsman Corruption Prevention Project,

Association of Government Internal Auditors.

Volunteers Against Crime and Corruption

Fellowship of Christians in Government

Likewise, coordination to phase in the

Government Watch,

Faith-Based Organizations like Barug Filipino, and PCCI, among others, is in progress.

Indicators here are.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Regular review and study of the involvement of private sector and civil society conducted ▪ Results of the review used to improve partnership ▪ Impact regularly assessed if it is an effective mechanism to prevent corrupt practices |
| 4 | <ul style="list-style-type: none"> ▪ Operational process where inputs from private sector and civil society are taken into consideration--in place |
| 3 | <ul style="list-style-type: none"> ▪ Private sector and civil society involved in various agency-activities related to the promotion of good governance |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on the signed MOA conducted |
| 1 | <ul style="list-style-type: none"> ▪ MOA (with guidelines specifying the extent of participation) formalizing private sector and civil society participation signed/approved and disseminated |

Third is on the need to tap international development agencies and private sector for support

For the indicators:

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none"> ▪ Partnerships with various partner agencies and the private sector assessed as regards effectiveness in attaining agency goals ▪ New donors support agency activities |
| 4 | <ul style="list-style-type: none"> ▪ Process of implementation of each project reviewed and evaluated for improvement ▪ Monitoring system in place and operational |
| 3 | <ul style="list-style-type: none"> ▪ Employees oriented on the agreement/s with partner agencies ▪ Approval and implementation of the project |
| 2 | <ul style="list-style-type: none"> ▪ Project proposal submitted for approval ▪ Official communication from partner agencies and private sector signifying approval of request for support for |

| | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | particular projects/activities released (e.g. Grant or Cooperative Agreements) |
| 1 | <ul style="list-style-type: none"> ▪ Areas requiring support and possible providers of the support from the international community identified |

PAGC, for its part, has been getting financial and technical support from WORLD BANK and USAID in ensuring success in the implementation of IDAP measures that directly relate to these international groups' thrusts.

As indicated in the desired outcome, involvement of international development agencies and private sector for support result to greater external resources mobilization and contributes to an improved perception on the government's resolve to fight graft and corruption.

In addition to the US\$300,000 grant given by World Bank for the Internal Audit project, PAGC has gotten indication from the same donor agency for a second project which is again focused on corruption prevention that will use IDAP as an entry point.

In the July 2006 SONA, the President announced the following:

“May pondo na tayo para labanan ang katiwalian. Our reforms have earned us P1 billion from the U.S. Millennium Challenge Account for more investigators, prosecutors, and new technology to fight corruption. We are matching this with another billion from our fiscal savings.”

The MCA's P1.0 Billion is the US\$21.0 million grant to be used for a massively funded anti-corruption campaign that hopes to dramatically reduce the incidences of poverty as reduced corruption increases government savings and revenue collection that can, in turn, be used for poverty alleviation projects. The grant's allocation is:

US\$ 9.4 M or P 489.0 M for the BIR's RATE

US\$ 3.1 M or P 161.0 M for BIR's RATS

US\$ 1.4 M or P 73.0 M for the RIPS

US\$ 6.5 M or P 338.0 M for the Office of the Ombudsman

And, P 13.0 M for monitoring and evaluation of the Program

And the other P1.0 Billion being matched with the one from MCA is to be sourced from standby appropriations under the Strategic Government Reforms to be used for an intensified anti-corruption programs.

PAGC has been tasked to administer utilization of the P1.0 Billion fund and agency beneficiaries, the PNP, PDEA, PCVF, BIR, BOC and OMBUDSMAN have been called to do project development to ensure that this amount is going to have a strong impact on the fight against graft and corruption.

We are also looking at the possibility of including in the projects to be financed from the P1.0 billion fund IDAP focal persons' attendance to a Graduate Certificate Course on Anti-Corruption Studies – the course module of which is being refined by DAP under USAID –ROLE's assistance; and other IDAP – related initiatives.

The last measure requires institutionalization of the participation of stakeholders in agency activities, thus, the need for the creation of an IDAP Committee and tapping members of PGEA, AGIA, FOCIG and other groups within an agency to help monitor progress of IDAP implementation which is a clear manifestation of positive moves on this area

The indicators here cover.....

| RATING | LEVELS OF ACHIEVEMENT |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | <ul style="list-style-type: none">▪ Regular review and study of the involvement of stakeholder conducted▪ Results of the review used to improve partnership |

| | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | |
| 4 | <ul style="list-style-type: none"> ▪ Feed back mechanism where stakeholder inputs are taken into consideration in place and operational |
| 3 | <ul style="list-style-type: none"> ▪ Stakeholder participates in various agency-activities |
| 2 | <ul style="list-style-type: none"> ▪ Employee orientation on the signed MOA conducted |
| 1 | <ul style="list-style-type: none"> ▪ MOA (with guidelines specifying the extent of participation) formalizing stakeholder participation signed/approved and disseminated (e.g. Employees' Union) |

As you would note, these 22 measures are indeed doables. However, implementation is still heavily dependent on the political will and passion of the various officials tasked to work on the IDAP. It is not easy to introduce reforms – we know that. But, that is the main reason why PAGC has offered its full force to help you move forward towards this undertaking.

I have already given the group in the SMEP some pointers on how to go about this challenging task...but, I see the need to reiterate some of my most favorite sharing to help you get the needed strength to go on, despite and in spite of... and these are: One is found in **Sirach 2: 1-3, which gives us an indication of what we mean by the despite and in spite of, as it says:**

“...if you have decided to serve the Lord, prepare yourself for trials. Keep your heart upright and remain resolute; do not be upset in the time of adversity. Hold fast to the Lord, do not separate yourself from Him so that you may be successful till the end of your days.”

Further, Sirach 4:28, says: “Fight for the truth till death and the Lord will fight for you” This could be taken to mean, death in terms of relationships – cutting off ties if the other party is doing the wrong thing that the other party is addressing... the other party could be a member of one’s immediate or extended family, a friend, an officemate, an associate....; or death in one’s ways – from being wasteful to having concerns about judicious use of government’s scarce resources; and the list goes on and on.... This just tells us of the need to effect radical reforms and that the change

must start within ourselves, within our own circles of association; within our own sets of ways.

And I know that the BFP family, even if disheartened by the turn of events, will never quit...

Last Wednesday, a copy of the official publication of the BFP was being distributed to those who attended your 15th anniversary celebration. The inside page of the back cover of the said publication carried one of the guiding principles that I have learned to embrace since my elementary days...that is the “Don’t Quit” thing from an anonymous source. And it touched me and made me renew my commitment for BFP.

So that instead of sharing with you, the other food for thought that I shared with the SMEP group last June, I decided to instead use every single phrase in the “**Don’t Quit**”, as it goes:

*“When things go wrong as they sometimes will,
When the road you’re trudging seems all uphill,
When the funds are low and the debts are high,
When you want to smile but have to sigh,
When care is pressing you down a bit,
Rest if you must, but don’t you quit.
Life is queer with its twists and turns,
As every one of us sometimes learns,
And many a failure turns about,
When he might have won had he stuck it out;
Don’t give up though the pace seems slow,
You may succeed with another blow,
Success is failure turned inside out,
The silver tint of the clouds of doubt,
And you never can tell how close you are,
It may be near when it seems so far;
So stick to fight when you’re hardest hit,
It’s when things seem worst that you must not quit.”*

In the IDAP implementation, this is very true! Agencies that belonged to the bottom 5 or the least compliant ones – did not quit – but instead – sought assistance on what

needs to be done, applied extra effort and exercised higher political will – and kept on hoping for better things to come

And as a result, as in the case of at least two (3) agencies that used to be announced to be part of the “pasaway” group, the DENR and the DTI, both agencies managed a big leap from being in the bottom five to being in the top 10 with DTI even landing to the top 4 just in a quarter’s time... later I will tell you how they did it....

as seen in the following agency-ranking for December 2005 and March 2006 :

| TOP 10 | |
|-----------------------------------------------|-----------------------------------------------|
| 2005 | 1st Quarter of 2006 |
| 1. Department of Health | 1. Department of Health |
| 2. Bureau of Internal Revenue | 2. Bureau of Internal Revenue |
| 3. Department of Social Welfare & Development | 3. Department of Social Welfare & Development |
| 4. Department of Science and Technology | 4. Department of Trade and Industry |
| 5. Office of the President | 5. Department of Science and Technology |

TOP 10

| 2005 | 1 st Quarter of 2006 |
|----------------------------------------------------|--------------------------------------------------|
| 6. Department of Education | 6. Office of the President |
| 7. Department of Environment and Natural Resources | 7. Department of Public Works & Highways |
| 8. Department of Public Works & Highways | 8. Department of Education |
| 9. Land Registration Authority | 9. Department of Environment & Natural Resources |
| 10. National Economic Development Authority | 10. Philippine National Police |

In 2005, we see the top 10 agencies' moves towards IDAP – those who have taken IDAP seriously and ensured that the measures are put in place and people not just at the central office but even in the regional or provincial offices are made aware of the reforms and are made participants to the agency programs and activities that are supportive to the institutionalization of a given measure, are the ones in the higher . The least compliant ones are in the bottom of the list. But being in the bottom does not likewise mean that these agencies are the most corrupt offices in the bureaucracy.

The rating tells us that these offices are the ones that don't give enough attention or in worst cases – no attention at all – to the IDAP initiatives. I also want to emphasize that the ranking changes monthly....except for the DOH which has been a consistent topnotcher.

And so, for out bottom five:

BOTTOM 5

| 2005 | 1 st Quarter of 2006 |
|----------------------------------------------------|--------------------------------------------------------|
| 1. Department of Trade and Industry | 1. Department of Justice* |
| 2. Department of Justice | 2. Department of Tourism* |
| 3. Department of the Interior and Local Government | 3. Land Transportation Franchising & Regulatory Board* |
| 4. Department of Agriculture | 4. Department of Agriculture |
| 5. Bureau of Immigration | 5. Bureau of Immigration |

*no submission

Many lessons on best practices can be derived here and these are shared between and among the IDAP focal persons during the regular sessions that PAGC conducted to help others improve on their performance level.

Some of the best practices point to: planning what needs to be done and who shall be asked to do the tasks, capturing agreements, decisions taken, action plans, timelines, and the like, in written form, disseminating information to the rest of the public officials and employees in their respective offices and taking time to bring reforms for their regional or provincial offices)

The reasons cited for failure to register improvements in ratings include failure of the IDAP designated focal person/s to report to their respective superiors – not even the Department's Secretary is given updates on IDAP, targets and accomplishment reports are personally set/prepared by the focal person hence no action has ever been taken by the Department, draft circulars/orders/guidelines remain as draft.

And so, the key is to ensure that the following needs are addressed by an agency doing IDAP:

- Need for proactive IDAP focal person/s**
- Need for active participation in IDAP-related activities**
- Need for timely submission of progress reports**
- Need to ensure compliance to IDAP indicators**
- Need to establish/sustain effective coordination with PAGC**

Now, going back to DTI and DENR

In December 2005, DTI was one of the bottom 5 – and no less than Sec Favila took the initiative to ensure that the record will improve. He tasked an Assistant Secretary to personally oversee the Department’s moves as regards IDAP. Close coordination with PAGC was effected. We even conducted an IDAP briefing for the Regional Directors of DTI. And look at where they are now – top 4.

Also, the same experience happened with DENR. Used to be in the bottom list – but when IDAP focal persons were tasked to do their share and coordinated with PAGC – DENR made it to No. 7. Again, an Assistant Secretary with the assistance of key officials handled IDAP concerns. All issues not clear with them on how to go about implementing IDAP have been brought to our attention. Clarifications were done. IDAP briefing before the Regional Directors and key officials in the Head Office was likewise conducted.

Another good example is the PNP. The first rating periods placed them at no. 2 but there was a lull and they slid to no. 12. Now, they are no. 10.

One thing that is common to the three agencies is that no one Quit!

These just prove that if we want to do something....we could do such but such would require commitment to reach the goal not by yourself but through collaboration with others.

Thus, for your group, as you do your IDAP monitoring, you can take a look at these inputs. And don't forget that should there be any area of assistance which to your assessment can be provided by PAGC, we are just a call's away .

Thus, with the all out war against all forms of corruption that we shall address - together, we need to be vigilant and ensure that the level of commitment is further nurtured. We need to remind one another not to conform any longer to the pattern of this world, but to continuously be transformed – that is, in accordance with how GOD, our Creator wants our hearts to be formed, how our minds need to be transformed, how our will need to be conformed – and that, this transformation must take place everyday for the rest of our lives. I have seen so much of this type of preparation in the BFP family, in your programs, in your processes.

Surely, there will be trials and temptations all the time...but we must persevere , we should not be discouraged. We should not give up. We should not Quit! Instead, we must move on.... we should never allow ourselves to get distracted.... we should bond together to remain focused and just do what we are supposed to deliver. This shall be more critical when you are in your own group – with your BFP family. What you need to focus on, is on how you are to position yourselves in this fight against graft and corruption – for such position, I believe, will break or make your firm resolve to succeed.

Given such role, it becomes imperative for you – to fully understand the extent of your task not just in ensuring that the measures are implemented but in seeing to it that these are taking roots and bearing fruits. But apart from that, the most critical task is to take on personal sacrifices for you to become role models in all aspects of the IDAP work – at all times.

And I know that we all know, this is not an easy job to do.

I now invite you to take a look at a number of things you need to work on, individually and as a team – these are:

- **to show your leadership capabilities, you belonging to the highest ranking officials of the Bureau**
- **your value systems and character;**
- **your capability to influence others;**
- **to set people in the right direction—where right direction is gauged based on values—of being truthful, ethical and principled;**
- **to exhibit integrity—where integrity is tied up with honesty and where honesty means doing what one says he will do—with no trace of deception nor cover-ups;**
- **to provide consistency between words and deeds;**
- **to take a stand on important principles—saying NO when everyone else says YES;**
- **of making a difference in the midst of conformism; and,**
- **to basically serve like candles in the dark.**

Very hard job indeed!

But with GOD's grace, with your resolve to work with passion and do your respective mission in the task of building a graft and corrupt-free Philippines, I am sure you will all succeed.

You represent the group of competent and professional people with good attitudes that can be relied on. You belong to the group offering an abundant supply of talented people waiting in the wings to be tapped to their full potential.

You need to prepare yourselves for the kind of fight you are to face head on...

You need to professionalize yourselves and your organization as a whole...

You need to be more committed to the kind of work that public servants are tasked to deliver...

You need to go beyond doing what has been there as a result of tradition handed over to you by those who have resigned thinking that what we have is already a hopeless and helpless situation...

When we were younger, we dreamed about change. We crafted recommendations but enforcement of those were totally dependent on our superiors' choice.

Now, GOD put us on the other end – we are now the recipients of our subordinates' recommendations - we are given the chance to do something and see if their recommendations will work. We could finally effect changes.

Our collective efforts can address the perceived or even real deterrents to the realization of the desired change. ..

The flame on the desire to curb graft and corruption has been lit. But now, it must be fanned, not only so that it may stay alive, but that it may grow and spread, that what started out as one tiny flame may become a conflagration that engulfs the entire government bureaucracy and the rest of the society as well.

I am confident that you can deliver...And as I stated earlier on, we must all begin our efforts with a big HOPE, and never QUIT.. To do that, we definitely would...

- + Need to direct our energies to things or activities that best benefit not only ourselves but others;
- + Need to bloom where we are planted, give our best shot to whatever we do or are tasked to do.

We may not always choose the circumstances that life finds us in, but, if we give our best in whatever situation, then we are sure to reap a harvest of good fortune, not necessarily financial reward, but recompense of a greater value and one which would give us greater satisfaction;

- + Need to live our virtues. And these are hard work, patience, honesty and integrity. We need to hold on to them no matter what it costs us

Indeed, our efforts together - with all of us working as one - shall be unyielding, and, we shall not deny the nation of our dreams and vision.

Our collaboration is a signal of GOD's hand in our fight! Let us all get involved...

as Frederic Flach once said:

“Whether by accident or design, there are the moments when, because of a readiness within us and a collaboration with events occurring around us, we are forced to seriously reappraise ourselves and the conditions under which we live and to make certain choices that will affect the rest of our lives.” Let us seize this opportunity and let us make our choices and let us act NOW!

Likewise, Dr Jose P. Laurel's statements in his inaugural speech could serve as another inspiration for all of us, as he said:

“Every drop, every trickle of individual effort shall be grooved into a single channel for common endeavor until they grow into a flowing stream...a raging flood, hurdling all difficulties”.

In these difficult times for the world and our country, these words must stir and move us to unite and consecrate ourselves for our country and our people.

May our Creator continuously bless all our undertakings as we do all these for the greater glory of HIS name.

Let us not fail HIM.

Magandang umaga pong muli at maraming salamat.