

**Paper for the 9:00 a.m. - 30 October 2006 Opening Ceremonies
For the
Graduate Certificate Course in Corruption Prevention for Executives
Virata Hall, 2nd Floor, DAP Building, Pasig City**

Good Morning! Today, we are launching a very important milestone in our fight against graft and corruption - the first ever of its kind in the country - the special offering for the Graduate Certificate Course in Corruption Prevention for Executives.

My congratulations to all of you for this undertaking.

I thank our allies in the USAID and the USAID ROLE (Rule of Law Effectiveness) and the Development Academy of the Philippines (DAP) - for this early Christmas gift to the nation.

I thank the participating agencies (DSWD, LRA, DILG, DOH, PNP, BOC, DPWH, DEPED, DENR ____) and the chosen scholars for their commitment towards this end.

I see this special undertaking as a direct expression and manifestation of your desire to become more responsive, efficient and conscientious in providing objective and timely intervention in this area to all kinds of stakeholders.

And, to me, it is always a source of inspiration to see this kind of collaboration - between and among - committed individuals representing various government agencies and donor community - to get together and show interest in knowing the hows of getting into the most appropriate ways and means of fighting graft and corruption and scoring a big win in this fight.

And reality tells us, that if one expresses this kind of interest, one can immediately conclude, that with that level of interest to learn more about something - goes a considerable level of interest - or shall we say - a desire to likewise assess respective roles or contribution - as regards the very particular topic of interest that has been manifested - which, for this gathering's case - is focused - on your roles - in fighting corruption in the bureaucracy...

As I go through the course description - and objectives - as well as the list of the participating agencies - I can't seem to contain my happiness - for this very important heaven-sent opportunity - a realization of another dream - and, a good source of renewed hope. For, I truly believe, that this will help us deliver another positive development - in our nation's fight against graft and corruption, which is actually - being fought - in an intensified manner.

Our President, Gloria Macapagal – Arroyo, once said: “Fighting corruption takes time. We cannot fight it overnight”, that: “it is not like Saint Michael slaying the

dragon with one swish of the sword”. Fighting corruption, she said, “is like healing an infected wound that must be constantly cleansed and disinfected”

True indeed! It is not easy to fight corruption which has been considered to have become a global insidious scourge – the single biggest crime against individuals, institutions and nations and that, these happen, in both the domestic and international arenas – as no country – rich or poor – is spared from the sting of corruption. Both public and private sectors are involved. And it is always the public good that suffers the most as the poor becomes poorer by denying them their rightful share of economic resources or even life-saving aid.

Earlier reports from various groups pointed to the following losses to corruption -

+ more than US\$ 1 trillion is paid in bribes each year – a figure which includes the estimate of actual bribes paid worldwide in both developed and developing economies

+in the Philippines, the lost was estimated to have reached \$48 billion over the last 20 years, greater than the entire national debt (\$40 billion) for the same period was lost to corruption

+corruption here can cost a country up to 17 per cent of its Gross Domestic Product (GDP), robbing the population of resources that could have been used to reduce poverty and promote sustainable development

+ loses from corruption in our country is accordingly from about 20 to 30 percent of the country’s national budget or from P160 to P240 billion a year

And because of these reports, there have been a number of times when I was asked, if we can still stump out corruption, and to this, I always, and all of us, actually - must always say YES --- not only because, saying NO means giving up, and thus, causes us to do nothing, but because giving up becomes very destructive, and is considered to be, a self-fulfilling prophecy.

This is why, fighting corruption has become a top priority under the Macapagal - Arroyo administration. We have seen the extent of political will that has been placed and is still being given on this area - from 2001 to present date - I don’t have to expound on these initiatives as these shall be taken up in the course.

Suffice it to say, that never in the history of our country - have we seen -the kind of fight we are waging against graft and corruption nowadays - as the direction towards which we are to fight graft and corruption, is clearly spelled out in our 2004 - 2010 MTPDP - which carries a full chapter, chapter 21, on graft and corruption, and the following chapter - deals on bureaucratic reforms.

Our president, PGMA emphasized that there is a need to change the orientation of the people running the system. She said that the down payment made on anti-corruption can gradually lead to the fundamental reforms, but this is going to happen, if we work hard enough on governance reforms – the kind requiring an

integrated approach – the need to consider best practices of other countries in their anti-corruption efforts....

And these are what we have been doing together since December 2004 - when we first worked hand in hand with our stakeholders - to craft our very own Integrity Development Action Plan or IDAP with its 22 very specific anti-corruption measures described to be doables.

But even if we said then, that by being doables meant - not needing additional resources to implement the reform mechanisms, our donors, our allies have been continuously matching our efforts by giving us assistance in all forms along this area...capability and capacity building projects and even actual releases of financial grants...plus of course, the provision of support base that pushes us to continuously move on.

And, our President - in a show of commitment and firm resolve to curb corruption - ordered the allocation and subsequent release of the biggest financial assistance ever allocated to fighting corruption - this is the P1.0 billion anti-corruption fund for the executive programs related to its anti-corruption campaign to match the P1.0 billion MCA...thus, bringing the extra anticorruption funds reach P2.0 billion for the next two years.

Going back to the IDAP, it has actually become - a showcase of how honest to goodness anti corruption programs can succeed. One key thrust - was the adoption of the three pronged approach - of investigation, prevention and education - and the phasing in - of yet another key strategy, that is, on partnership. IDAP was crafted in December 2004 and adopted as the National Anti Corruption Framework for the Executive Branch; implemented initially in close to 40 agencies starting January 2005, and is now in 70 agencies nationwide excluding the regional and provincial offices of key Departments with marked accomplishments fully supported by strong evidence in the form of actual movements or actions on a number of IDAP measures.

The agency based IDAPs served as an integrity pact between the President and the Agency Heads and to ensure implementation of the same - PAGC was tasked to do monitoring as to compliance level and this task was marked by very specific activities that have been undertaken 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**

At this point, please allow me to share with you an interactive presentation on the IDAP - related activities...what we call - the highlights of IDAP's existence, afterwhich, I shall give you - very briefly, an accounting of the achievements recorded on a per IDAP measure basis.

----- cd on IDAP ----

Cite accomplishments.....

But apart from the IDAP, I consider this Graduate Certificate Course on Corruption Prevention - as one direct response to the President's challenge - for

everyone's active participation, in the fight against graft and corruption. This is because of the course's aims to generate awareness, understanding and appreciation of anticorruption reforms and initiatives and matched with very specific and pre-approved anti-corruption project for implementation in respective participating agencies that are geared towards a graft and corruption - free Philippines to be undertaken by no less than the group of scholars who have volunteered themselves to be transformed into becoming in-house experts or graftbusters.

But this course, while enjoying the generosity of our sponsor, the USAID-ROLE, and the systematic approach that our prestigious team of lecturers and facilitators shall introduce - will definitely require full support and cooperation from the respective agency-beneficiaries in ensuring a graft-free agency. And this is because, this kind of task - to be done correctly - will necessitate the need - for GOD-centeredness, and self sacrifice - as fighting graft and corruption is never - and will never be - an easy job!

That is why, I see the need to come up with a Memorandum of Agreement - between and among the participating agencies - and the PAGC - to highlight the respective responsibilities and accountabilities - in ensuring that the targeted deliverables - are achieved. These specifically cut across - on the extent of commitment that each stakeholder must consistently maintain; on the need for the scholars and the Agency officials to agree on the special project for the course; and the need for the participating agencies to show commitment by way of providing logistical support (like access to information and documents necessary to the objective evaluation of respective agency's corruption-related problems; and could even consider the other needs of the scholars like transportation assistance to and from their respective offices and DAP) and other needs that are not covered by the USAID-ROLE sponsorship - and of course, the incorporation of the special project in the agency's strategic plan.

Probably, after this opening ceremonies, we could start talking about this MOA.

I get excited by the fact that our participating agencies allowed their own executives to be transformed - into becoming in-house experts or the new breed of graft busters - who would join the integrity network of professionals in various offices nationwide, who shall be working more intensely - on addressing graft and corruption problems of respective agencies. We are actually expanding our allies.

These participants shall become in - house experts - after going through the rigors of academic requirements just to -

+ get the needed skills and knowledge - on the hows of fighting graft and corruption under the present times employing latest techniques; and,

+ of allowing themselves to undergo prompt attitudinal change - to implement corruption prevention reforms within their respective organizations

It is very important to stress on the special project requirement as these scholars upon termination of the course offering shall personally oversee - the implementation of their respective pre-approved IDAP - linked agency-specific corruption prevention projects - that are to be incorporated, in each of the participating agencies' strategic plans - that would likewise be subjected - to regular PAGC monitoring. This is to ensure implementation in accordance with timelines set and to ensure sustainability.

Another source of joy is your being here, which to me, is not only an affirmation of your agencies' political will to improve governance in respective offices - but - an affirmation as well, of your firm resolve, to make good of your own tasks or shall we say, mission in life.

Your being here, gives me the impression - that your group would produce future leaders who are capable of influencing others

- that you could set people in the right direction**
- where right direction is gauged based on values – of being truthful, ethical and principled;**
- of being able 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.**

You impressed me as a group who could provide consistency between words and deeds, of who could take a stand on important principles – of being able to say no when everyone else says yes; of making a difference in the midst of conformism; of a group who could be like candles in the dark - to provide the light to the majority who might still be in darkness or remain to be blind...failing to see the ills of corruption and failing to see their roles to put a stop to this malaise.

And this reminds me of the messages I got for various events for the week and these are: 1) from yesterday's gospel; 2) from the all saints' day and all souls' day celebration; and from the timing of the super typhoon named PAENG to the launching of this course.

First is on yesterday's gospel which was about Bartimeus, a blind man who - because of a firm resolve to be healed went on to get nearer to where Jesus was and asked to be healed - and thus, was healed by Jesus . He later on became one of his disciples following him and doing his own share in Jesus' journey for our salvation.

It probably stuck to my mind because of the many similarities I saw on his story with what is happening as regards the problem of graft and corruption that we are all trying to address.

There are so many blind men in our midst - and probably - at one point in time in our busy lives - we, too, have been blind or are still blind - albeit physically - but -

blind in the sense that we failed and continue failing to see what we need to see - as regards what is happening vis a vis what we could have done to make a difference and do what we should do to improve the situation.

On this, Fr Jerry Orbos, in his Inquirer column, also released yesterday, talked about a lot of things related to the gospel's message that I believe are most applicable to our case -

He said that the true healing - is that, which enables a disabled or an incapacitated person to move on. If we remain stagnant, if we do not move on, it means we are still blind, we are still imprisoned and we have not been truly healed.

He said, that in his life - he met people who have received the gift of physical healing, but go back to their old bad habits soon after.

He said, he encountered people who have witnessed miracles, and yet - do not move on to become better persons.

And he called on everyone to ask the Lord to help us see with clarity what he is calling us from, and let us, in obedience follow him to where and what he is calling us to.

In this kind of work that you opted to choose, there are many dimensions of changes in your life, in your attitude towards a lot of things – both in substance and style – that you must handle. I would like to believe that your being here is a result of a decision making process you went through. Saying yes to this kind of job is a manifestation of your willingness to be servants of the Lord and of the people.

Your being here, I would like to believe is more of a calling, rather than just a result of your supervisors asking you to be the agency's representative to this very important undertaking.

And when you are doing something because you believe it is what GOD wants you to do – then you are assured that come what may, GOD will be beside you in your journey and he will never abandon you, specially during moments of trials – which the kind of job here will definitely expose you to a number of risks.

This is not to scare you but to make you fully aware of the temptations that you must resist – all the time! And only a strengthened relationship with your Creator will make you sustain your firm resolve to make a difference and to succeed in this fight with your integrity and credibility still intact.

You will need to keep your eyes wide open all the time. And that this course will indeed be instrumental in keeping your eyes and your senses wide open all the time. Of healing you from being blind.

Yesterday was also Prison Awareness Sunday.

Fr Orbos likewise called on every one - to ask the Lord, to help us see and accept and break out - from our own respective prisons within - from our own inherited or self-made prisons that prevent us from moving on - especially our prisons of fear, greed, insecurities and other weaknesses - that make us numb or insensitive to the crying world around us and blind to the vision which God our Father has for us...the world needs to be freed from the problems of graft and corruption and our Creator has tasked us to do our share on this area....He has sent this course to help you prepare in your tasks ahead - seize the opportunity and be like Bartimeus -

The next message is on what the all saints and all souls' days could give us -

Let the saints remind us that there is eternal life, and that life on earth has its own reward, now and in the after life. When it seems that evil prospers and evildoers got unpunished, we should not lose heart for surely, GOD does not sleep. Goodness will triumph in the end. GOD does not sleep. GOD knows. GOD sees

And for our departed loved ones, as we honor them with our all souls' day practices and customs, let us not forget that we honor them best with our prayers and remembrances, and specially by carrying out with firm resolve their wishes and dreams for us. From where they see us, may they smile at us as we pursue the values of truth, goodness and service in this life.

And the last message is on the timing of the launching of the course to the coming of super typhoon PAENG. Paeng is usually a pet name for a person named Raphael. And if we are to go back to the symbolism of the requirements towards fighting corruption - we used St Michael - and St Raphael - just like St Michael is an archangel wielding so much power to help us in our needs - for the Lord to concede us the grace of perseverance in the faith and in good works

The coming of a super typhoon makes everyone aware of the danger and thus keep selves attuned to the developments and exert extra effort to ward off whatever difficulties that the typhoon might result to...

This is what, this graduate certificate course is telling us - this a GOD-sent assistance to us, to you, our scholars - to coach you on the mode of behavior and performance that each of you would need in your task as graft busters. In this course, your limitations shall be addressed as you are to be trained – using a mix of methodologies - to be highly effective and efficient anti-corruption experts – as you are introduced to the fundamental principles, methods and techniques of graft and corruption prevention.

Your transformation as the new breed of graft busters, as I see it, will require you:

- 1) To positively respond to what the situation calls for at any particular instance
- 2) To be responsible for your own doings – not looking at others to blame for whatever failures you would register, or for feeling of insecurities for certain inadequacies;
- 3) To acknowledge your limitations for even if we honestly believe that we have done our best, yet, the situation and the perception as regards failed or mediocre performance don't improve, we can take these as challenges, by first making an admission, that indeed, our best might not be enough, given the present systemand thus, the resolve to do more and seek ways and means on how we could best be informed or guided on how to do more...and in so doing, attain a greater possibility of success this time. This is what this activity hopes to address.
- 4) To objectively assess where you erred and learn from that instance to avoid repetition of such an incident;
- 5) Not to be afraid, not to fear change or challenges;
- 6) To embrace change to be able to respond more effectively and efficiently to every situation; and,
- 7) To begin the change within you

This time, as graft busters you must always aim high to excel – but not to outdo others – but because it is supposed to be the normal thing to do – as your commitment to public service. You will need to always check on your strengths and weaknesses as a means to strategize on how to face the challenges and trials, despite and in spite of your acknowledged limitations.

Do not allow yourselves though to be cowed by apparent limitations. You should be open and free to articulate your thoughts; treat others as partners not competitors. The team of anticorruption experts are just around to guide you.

Your day to day encounter with your own experiences as graft busters in the public service and the kind of temptations that you might be faced with – will test the extent of your own vulnerabilities... I would like to share with you a bible passage which you can reflect on when this happens – this says...“Rejoice young man in your youth, follow the desires of your heart, but remember that GOD will take account of what you do”

PAGC is here to help you do your roles in the most efficient, effective and economical manner. Rest assured therefore, of a more frequent interaction with the Commission, as we commit to ensure, that as the President's arm in curbing corruption, we will turn in positive results brought about by the renewed fight against graft and corruption.

We shall make ourselves and our resources available to help motivate every one to get committed in carrying out respective responsibilities with the highest regard for accountability, transparency and fairness;

We shall ensure that each agency's single moves are guided by set guidelines and parameters that lead towards accomplishment of set goals;

We shall work together to see your agencies as institutions that actually lead by example.

Before, it would be very hard to talk about these directions - as years ago, fighting graft and corruption was considered to be an impossible task and would probably need a magic wand to make quick wins in every aspect of managerial and operational needs, with those needing to be done immediately but with very little resources. There were so many things that needed reforms. One can easily go for just maintaining the status quo rather than be problematic about how needed reforms could be put in place and operationalized.

Maintaining the status quo, though, should never be an option for us. There must only be one direction that we should all take, that is, to move forward and make things happen. And the direction should be written and institutionalized, not easily shaken off by politically triggered eventualities that are totally beyond our control. Hence, there is a need for the special projects to get the Head of the Agencies approval and incorporated in the agencies' strategic plans.

All of these, I know, plus the added knowledge and skills you shall get from the course - are inputs that will guide us to do our job RIGHT, for now. Eventually, we ought to be COMPETENT, and then EXCELLENCE comes next.

For now, I am aware that it is still a long way from our targets and much farther from the realization of our vision of a graft free Philippines.

We may not have quick wins on the horizon, that is, if the magic wand does not function well, but I would rather that we go for professionalization and institutionalization, both resulting to a stronger foundation –

a long term legacy which hopefully will benefit the next generation – a stronger one, not easy to topple down, and the ones who can rightfully enjoy the fruits of our work

And in the long journey that we shall take towards excellence, we hope to walk side by side, holding hands still with our allies who are here right now with us...

To our USAID friends and benefactors, to the agency beneficiaries, to the core of trainers and to the DAP, again, thank you very much for opening a window of opportunity for our scholars

We have nothing to give you in return except for our deep commitment towards attainment of our set goals...that is making a difference amid varied challenges –

but let me assure you of PAGC's commitment to face head on the trials and challenges that will come along our way as we consider those as very challenging but deeply rewarding endeavor...

Hence, we shall welcome those with readiness - just like the preparation we were asked to work on for super typhoon milenyo and now for super typhoon paeng.

And in closing, I would like us to reflect on Verse 20 of Chapter 8 of Chronicles I with GOD saying: "Be strong and courageous and get to work, don't be frightened by the size of the task for the Lord GOD is with you, he will not forsake you..."

With this, we can thus say, be not afraid...go forth and work...

I appeal to you to seize this opportunity where all sectors collaborate to address the real problems with the right solutions

I appeal to you not to lose hope because of frustrations caused by felt, observed or perceived inaction by respective superiors

Instead, I appeal to you to bond together and form a critical mass to strengthen position and build a solid foundation for what has been started, what needs to be refined as we do this type of undertaking, this time – together!

And I do believe that as allies, each will, on his or her own, ensure that the commitments will not remain in papers - but are given life.. actually implemented and performed in respective offices...monitored and further refined- to finally translate our dreams into reality - of achieving our vision for "A Graft and Corrupt-Free Philippines characterized by transparency and accountability in governance, honesty and integrity in the bureaucracy in a corruption intolerant society"

Thank you very much.

IDAP ACCOMPLISHMENTS

On the area of Prevention, we have 7:

- 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**

For the specific milestones under this strategy, we present the following:

On the first doable -

+ all departments are now being – actually forced – to comply with the law – through E.O. 366 on the Rationalization and Streamlining Plan or RSP. 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 – is being undertaken for a project worth over P6.0 Million that will take about 8 months covering 15 pilot project beneficiaries - 3 from the Local Government Units – the Province of Bulacan, City of Marikina and Municipality of Cainta. We also have the Office of the Ombudsman as a representative of the Constitutional bodies, The rest come from the executive branch – DA, DPWH, DOH, DEPED, DILG, DBM-PS, DSWD, DND/AFP, PNP, OP and NAPOCOR.

Under this project, COA is considered a resource agency to ensure that internal auditing concerns shall be considered. 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.**

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 been done on these agencies and this is covered by the EC-Ombudsman project. Before the end of this year, 10 agencies will be added to this list, 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.

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 118 agencies nationwide

(74 NGAs, 8 GOCCs, 36 LGUs);

+ on going roll out in 66 agencies

(10 NGAs, 36 GOCCs, 20 LGUs); and,

+ for roll out in 246 agencies

(93 NGAs, 24 GOCCs, 129 LGUs).

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.

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 on the last doable under the prevention strategy, that is on the adoption of a single ID system for government officials and employees. This measure aims to enhance the integrity and reliability of government-issued ID cards as this is viewed to strengthen good governance, improve transparency and thus enable users to get faster access to government services. To carry out this measure, E.O. 420 was issued in April 2005 and NEDA was given the primary responsibility of crafting the IRR and in implementing the system which was then targeted to be in place at the start of 2006. But there were opposition to the use of the single ID and its legality was even challenged before the Supreme Court. However, as the Court gave a favorable

ruling on the matter, the project was finally launched last 23 August and is expected to be fully in place by 2007. So far, only the NEDA and the National Statistics Office (NSO) have started implementing the system as early as March of 2006.

On the Education Strategies,

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	<p>The agency code of ethical standards regularly reviewed for effectiveness in specifying and promoting desired behavior of employees</p> <p>The code of ethical standards integrated in all operating systems of the agency (e.g. human resource management, procurement)</p> <p>Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed</p>
4	<p>Employees’ record of adherence to or violation of the agency code of ethical standards used as one of the considerations for promotion</p> <p>Rewards given to officials and employees who consistently</p>

	exhibit behavior consistent with the agency code of ethical standards
3	Agency-specific code of ethical standards consistently enforced, with managers having clear tasks of promoting and monitoring compliance Applicable provisions of the code of ethical standards included in contracts with external parties (e.g. suppliers)
2	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	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	Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed
4	Trainings conducted reviewed and evaluated Trainers evaluated
3	Trainings conducted in accordance with the training plan
2	Trainings to be conducted yearly and pool of trainers identified Training program plan approved
1	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 are instructional materials on the prevention and control of corruption for incorporation with the curriculum of primary and secondary level. They 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,

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	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	The agency protects and rewards employees who report corrupt behavior
3	The agency has an internal reporting system which follows a

	<p>standard processing time and specifies roles and responsibilities for accepting reports and giving advice to employees who want to report corruption</p> <p>The agency records steps taken on complaints and provide feedback to complainants</p> <p>Coordination with Internal Affairs Unit on-going</p>
2	<p>Employees oriented on the procedures for reporting corrupt incidents</p> <p>Relevant personnel trained on the handling of complaints and reports of corruption</p>
1	<p>Department Order creating ICU and guidelines (which specify what constitutes corrupt and unethical behavior and the responsibilities for reporting) approved and disseminated</p>

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	<p>The agency regularly assesses whether the investigation system being used is an effective mechanism to prevent corrupt practices</p> <p>Results of the assessment used to improve and enhance the investigation process</p>
4	<p>Coordination with other anti-corruption body (e.g. PAGC and OMB) on-going</p> <p>The agency imposes appropriate sanctions to erring employees and officials</p>
3	<p>The agency has an investigation system which follows a</p>

	standard processing time and specifies roles and responsibilities for conducting investigations
2	The agency regularly disseminates information on the disposition of cases Relevant personnel trained on investigation
1	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. Earlier, I already shared with you what we did on this.

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	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	Policies on blacklisting regularly reviewed and improved
3	Blacklisted offenders published in agency publication, in the website and made available to the public
2	Employee orientation on the publishing of blacklisted offenders held
1	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.

This is based on the principle of command responsibility or “respondent al superior” – taken from a 1998 ruling on Aberca vs Ver, G.R. No. L-69866 on:

“The judgment gives the caveat that a superior officer must not abdicate its duty to properly supervise his subordinates for her runs the risk of being held responsible for gross negligence and of being held under the cited provision of the Civil Code as indirectly and solidarily accountable with the tortfeasor.”

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

The indicators for this measure are:

RATING	LEVELS OF ACHIEVEMENT
5	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	Superiors are held accountable/sanctioned for corrupt activities of their subordinates in accordance with the guidelines
3	System in holding superiors accountable for corrupt activities of subordinates in place and operational
2	Employees and heads oriented on the doctrine of command responsibility
1	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	Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed
4	Existing agency administrative disciplinary machinery regularly reviewed and improved
3	Reports on the implementation of existing agency administrative disciplinary machinery regularly submitted to the agency head
2	Orientation/reorientation of employees on existing agency administrative disciplinary machinery conducted
1	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	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	The agency rewards employees who attached their ITR to their SALN
3	ITRs of personnel with other sources of income attached to their SALN
2	Employee orientation on the relevance of attaching the ITR to the SALN held
1	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.

And as we do the evaluation, the agency compliance for December 2005 and March 2006 per PAGC ranking reveals the following

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**

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	Impact of its effectiveness as a mechanism to prevent corrupt practices regularly assessed
4	Report on the utilization of the information shared Linking of existing databases to complementary agencies regularly reviewed and improved
3	Sharing of databases and information between/among agencies on-going
2	Employee orientation on sharing of information with other agencies conducted
1	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	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	Operational process where inputs from private sector and civil society are taken into consideration--in place
3	Private sector and civil society involved in various agency-activities related to the promotion of good governance
2	Employee orientation on the signed MOA conducted
1	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.

Third is on the need to tap international development agencies and private sector for support. For the indicators:

RATING	LEVELS OF ACHIEVEMENT
5	Partnerships with various partner agencies and the private sector assessed as regards effectiveness in attaining agency goals New donors support agency activities
4	Process of implementation of each project reviewed and evaluated for improvement Monitoring system in place and operational
3	Employees oriented on the agreement/s with partner agencies Approval and implementation of the project
2	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	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.

And we are looking at the possibility of including in the projects to be financed from other sources 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.

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	Regular review and study of the involvement of stakeholder conducted Results of the review used to improve partnership
4	Feed back mechanism where stakeholder inputs are taken into consideration in place and operational
3	Stakeholder participates in various agency-activities
2	Employee orientation on the signed MOA conducted

1	MOA (with guidelines specifying the extent of participation) formalizing stakeholder participation signed/approved and disseminated (e.g. Employees' Union)
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Having these measures in place since 2005, I believe, should have given us a considerable level of confidence as regards the manner by which we are addressing the problems of graft and corruption.

PAGC investigators were sent to trainings and made to attend short term courses on field investigation, advanced fraud audit techniques, public corruption and ethics, and even internal controls to beef up capacities and capabilities to ensure credible case build-up per case with a given standard timeframe of 90 days for regular cases.

A database of Personal Data Sheets, Sworn Statement of Assets, Liabilities and Networth and appointment papers of presidential appointees (PAs) from various agencies was established to avoid getting the subject alarmed on any PAGC investigation being conducted on him or her as subpoenas are issued for such documents.

Through the assistance of USAID, we designed a Complaints and Case Management Manual of Operations in the last quarter of 2005. This manual aims to be a quick and ready reference for technical and support staff responsible for the tracking, monitoring of cases and investigation and enforcement of the laws administered by the Commission.

Hence, transfer of technology and phasing in of new investigators is easier. With this manual is an Excel programmed case monitoring and document-tracking system to ensure that all incoming documents are acted upon within the required period and to ensure that all cases are acted upon and moving.

We employed a “shame-campaign” by reporting to the public, thru press conferences and press releases, offenders with cases whose PAGC recommendations for punitive actions have been affirmed by OP. This include sanctions involving dismissal from service with forfeiture of benefits, cancellation of civil service eligibility and perpetual disqualification from holding public office.. This campaign promotes corruption as a high-risk, low reward activity as even the US Embassy now calls us every time there’s a case that we publish and the respondents happen to have a pending visa application for travel to the United States. The application for visa of these offenders are being withheld by the US Embassy, especially when we tell them that we have filed a criminal complaint against these persons to the Office of the Ombudsman or with the Department of Justice. Still on this area, PAGC now maintains a website, wherein the public could read the press releases on sanctioned officials as well as file complaints to PAGC.

From 2005 to date, we shared with the public OP Orders involving the following - dismissal from Office of -

an Assistant Secretary from the Office of the President

a Regional Director of the National Commission on Indigenous Peoples (NCIP

the Chairman of PHILRACOM,

the Administrator of NDA - though there was a modification here, this one is now covered by PAGC manifestation - sort of a Motion for Reconsideration

the Regional Directors of BLGF and DSWD

the Assistant Regional Director of DTI -this one coming from Region VI

the suspension of -

a Division Superintendent from Cebu for 3 month, both without pay; a Director from the Office of the President for 6 months - this is one is similar to the NDA case, meaning, subject of a Motion for Reconsideration

and now, the latest affirmation - the dismissal from Office of an Undersecretary from DPWH, Salvador Pleyto.

We also forged partnerships with other government agencies, CSOs and stakeholders to increase the number of cases filed against abusive public servants.

Some of these agreements include:

- **Partnership with the Transparency and Accountability Network (TAN) and the Coalition Against Corruption (CAC) for these CSOs to provide qualified volunteers to PAGC in its lifestyle check crusade against erring officials and employees in all government agencies, departments, and instrumentalities**
- **MOA with 10 select agencies which were challenged by the President to file at least 1 case per quarter involving a “big fish” to PAGC or to OMB.**
- **MOA with the Volunteers Against Crime and Corruption or VACC for their volunteers to act as informants particularly in lifestyle check cases.**

And on agreements forged by PAGC relative to corruption prevention, we have:

- **MOA with the Office of the Ombudsman, Transparency and Accountability Network (TAN), with Heads of 10 priority agencies to ensure the implementation and sustainability of corruption prevention reform programs (CPRP) which is now subsumed under the prevention strategy of the IDAP**
- **Covenant of Cooperation and Support to the Office of the Ombudsman-European Union Corruption Prevention Project to ensure PAGC’s participation as a collaborating/partner agency in the implementation of the OMB’s corruption prevention project funded by the European Union**
- **Agreement with the World Bank as regards the project on Strengthening of Internal Audit Units for Effective Procurement Monitoring and Enforcement with PAGC as implementing agency and Covenant of cooperation with the 15 Project partners of the internal audit project– 10 from NGAs, 1 from a constitutional body, 1 from GOCCs and 3 from LGUs**
- **MOA with the Association of Government Internal Auditors (AGIA) to officially involved the group in systems reform initiatives of PAGC and for the internal audit project funded by the world bank.**
- **MOA with the Fellowship of Christians in Government (FOCIG)**

PAGC also saw the need to go heavy on advocacy (education) and media campaign to respond to the worsening level of perception on corruption, hence, PAGC has undertaken the following activities:

- **Participation in various fora to give talks on anti graft and corruption laws and anti-corruption programs to highlight respective stakeholders' roles to ensure success in the fight against graft and corruption (Medium used include tri-media, visit to offices and attendance as speaker/resource person to conferences and meetings)**
- **Creation of the PAGC writer's pool – in charge of documenting/writing news articles and stories on the anti-corruption efforts initiated by the Commission for distribution to the media and newsletters of CSOs**
- **Conduct of press conferences and distribution of press releases to officially inform the public of the Commission's milestones, both on the investigation and prevention strategies.**
- **Television and radio guestings of PAGC officials**
- **visit government offices during flag raising ceremonies to conduct lectures on the “dos” and the “don'ts” of public service**
- **PAGC also activated an SMS hotline and e-mail wherein complainants can text or e-mail their complaints**

Then, on the effort to institutionalize the thrusts and programs reflective of the PAGC's Vision, Mission, and Goals in covered agencies, initially focusing on the Executive Branch –

we shared with the other offices our Vision, Mission and Goals that are captured in the first ever PAGC Medium Term Plan.