

[REPUBLIC ACT NO. 6713, February 20, 1989]

AN ACT ESTABLISHING A CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, TO UPHOLD THE TIME-HONORED PRINCIPLE OF PUBLIC OFFICE BEING A PUBLIC TRUST, GRANTING INCENTIVES AND REWARDS FOR EXEMPLARY SERVICE, ENUMERATING PROHIBITED ACTS AND TRANSACTIONS AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Title.*—This Act shall be known as the "Code of Conduct and Ethical Standards for Public Officials and Employees."

SEC. 2. *Declaration of Policy.*—It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence, and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest.

SEC. 3. *Definition of Terms.*—As used in this Act, the term:

- a. "Government" includes the National Government, the local governments, and all other instrumentalities, agencies or branches of the Republic of the Philippines including government-owned or controlled corporations, and their subsidiaries.
- b. "Public Officials" includes elective and appointive officials and employees, permanent or temporary, whether in the career or non-career service, including military and police personnel, whether or not they receive compensation, regardless of amount.
- c. "Gift" refers to a thing or a right disposed of gratuitously, or any of liberality, in favor of another who accept it, and shall include a simulated sale or an ostensibly onerous disposition thereof. It shall not include an unsolicited gift of nominal insignificant value not given in anticipation of, or in exchange for, a favor from a public official or employee.
- d. "Receiving any gift" includes the act of accepting, directly or indirectly, a gift from a person other than a member of his family or relative as defined in this Act, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is neither nominal nor insignificant, or the gift is given in anticipation of, or in exchange for, a favor.
- e. "Loan" covers both simple loan and *commodatum* as well as guarantees, financing arrangements or accommodations intended to ensure its approval.
- f. "Substantial stockholder" means any person who owns, directly or indirectly, shares of stock sufficient to elect a director of a corporation. This term shall

also apply to the parties to a voting trust.

- g. "Family of public official or employees" means their spouses and unmarried children under eighteen (18) years of age.
- h. "Person" includes natural and juridical persons unless the context indicates otherwise.
- i. "Conflict of interest" arises when a public official or employee is a member of a board, an officer, or a substantial stockholder of a private corporation or owner or has a substantial interest in a business, and the interest of such corporation or business, or his rights or duties therein, may be opposed to or affected by the faithful performance of official duty.
- j. "Divestment" is the transfer of title or disposal of interest in property by voluntarily, completely and actually depriving of dispossessing oneself of his right or title to it in favor of a person or persons other than his spouse and relatives as defined in this Act.
- k. "Relatives" refers to any and all persons related to a public official or employee within the fourth civil degree of consanguinity or affinity, including bilas, inso and balae.

SEC. 4. *Norms of Conduct of Public Officials and Employees.*—(A) Every public official and employee shall observe the following as standards of personal conduct in the discharge and execution of official duties:

- a. *Commitment to public interest.*—Public officials and employees shall always uphold the public interest over and above personal interest. All government resources and powers of their respective offices must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage in public funds and revenues.
- b. *Professionalism.*—Public officials and employees shall perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill. They shall enter public service with utmost devotion and dedication to duty. They shall endeavor to discourage wrong perceptions of their roles as dispensers or peddlers of undue patronage.
- c. *Justness and sincerity.*—Public officials and employees shall remain true to the people at all times. They must act with justness and sincerity and shall not discriminate against anyone, especially the poor and the underprivileged. They shall at all times respect the rights of others, and shall refrain from doing acts contrary to law, good morals, good customs, public policy, public order, public safety and public interest. They shall not dispense or extent undue favors on account of their office to their relatives whether by consanguinity or affinity except with respect to appointments of such relatives to position considered strictly confidential or as members of their personal staff whose terms are coterminous with theirs.
- d. *Political neutrality.*—Public officials and employees shall provide service to everyone without unfair discrimination and regardless of party affiliation or preference.
- e. *Responsiveness to thee public.*—Public officials and employees shall extend prompt, courteous, and adequate service to the public. Unless otherwise provided by law or when required by the public interest, public officials and employees shall provide information on their policies and procedures in clear and understandable language, ensure openness of information, public consultations and hearings whenever appropriate, encourage suggestions, simplify and systematize policy, rules and procedures, avoid red tape and

develop an understanding and appreciation of the socioeconomic conditions prevailing in the country, especially in the depressed rural and urban areas.

- f. *Nationalism and patriotism.*—Public officials and employees shall at all times be loyal to the Republic and to the Filipino people, promote the use of locally-produced goods, resources and technology and encourage appreciation and pride of country and people. They shall endeavor to maintain and defend Philippine sovereignty against foreign intrusion.
- g. *Commitment to democracy.*—Public officials and employees shall commit themselves to the democratic way of life and values, maintain the principle of public accountability, and manifest by deeds the supremacy of civilian authority over the military. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.
- h. *Simple living.*—Public officials and employees and their families shall lead modest lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

(B) The Civil Service Commission shall adopt positive measures to promote (1) observance of these standards including the dissemination of information programs and workshops authorizing merit increases beyond regular progression steps, to a limited number of employees recognized by their office colleagues to be outstanding in their observance of ethical standards; and (2) continuing research and experimentation on measures which provide positive motivation to public officials and employees in raising the general level of observance of these standards.

SEC. 5. *Duties of Public Officials and Employees.*—In the performance of their duties, all public officials and employees are under obligation to:

- a. *Act promptly on letters and requests.*—All public officials and employees shall, within fifteen (15) working days from receipt thereof, respond to letters, telegrams or other means of communications sent by the public. The reply must contain the action taken on the request.
- b. *Submit annual performance reports.*—All heads or other responsible officers of offices and agencies of the government and of government-owned or controlled corporations shall, within forty-five (45) working days from the end of the year, render a performance report of the agency or office or corporation concerned. Such report shall be open and available to the public within regular office hours.
- c. *Process documents and papers expeditiously.*—All official papers and documents must be processed and completed within a reasonable time from the preparation thereof and must contain, as far as practicable, not more than three (3) signatories therein. In the absence of duly authorized signatories, the official next-in-rank of officer-in-charge shall sign for and in their behalf.
- d. *Act immediately on the public's personal transactions.*—All public officials and employees must attend to anyone who wants to avail himself of the services of their offices and must, at all times, act promptly and expeditiously.
- e. *Make documents accessible to the public.*—All public documents must be made accessible to, and readily available for inspection by, the public within reasonable working hours.

SEC. 6. *System of Incentives and Rewards.*—A system of annual incentives and rewards is hereby established in order to motivate and inspire public servants to uphold the highest standards of ethics. For this purpose, a Committee on Awards to Outstanding Public Officials and Employees is hereby created composed of the

following: the Ombudsman and Chairman of the Civil Service Commission as Co-Chairmen, and the Chairman of the Commission on Audit, and two government employees to be appointed by the President, as members.

It shall be the task of this Committee to conduct a periodic, continuing review of the performance of public officials and employees, in all the branches and agencies of Government and establish a system of annual incentives and rewards to the end that due recognition is given to public officials and employees of outstanding merit on the basis of the standards set forth in this Act.

The conferment of awards shall take into account, among other things, the following: the years of service and the quality and consistency of performance, the obscurity of the position, the level of salary, the unique and exemplary quality of a certain achievement, and the risks or temptations inherent in the work. Incentives and rewards to government officials and employees of the year to be announced in public ceremonies honoring them may take the form of bonuses, citations, directorships in government-owned or controlled corporations, local and foreign scholarship grants paid vacations, and the like. They shall likewise be automatically promoted to the next higher position with the commensurate salary suitable to their qualifications. In case there is no next higher position or it is not vacant, said position shall be included in the budget of the office in the next General Appropriations Act. The Committee on Awards shall adopt its own rules to govern the conduct of its activities.

SEC. 7. Prohibited Acts and Transactions.—In addition to acts and omissions of public officials and employees now prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee and are hereby declared to be unlawful:

- a. *Financial and material interest.*—Public officials and employees shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office.
- b. *Outside employment and other activities related thereto.*—Public officials and employees during their incumbency shall not:
 1. Own, control, manage or accept employment as officer, employee, consultant, counsel, broker, agent, trustee or nominee in any private enterprise regulated, supervised or licensed by their office unless expressly allowed by law;
 2. Engage in the private practice of their profession unless authorized by the Constitution or law, provided that such practice will not conflict or tend to conflict with their official functions; or
 3. Recommend any person to any position in a private enterprise which has a regular or pending official transaction with their office.

These prohibitions shall continue to apply for a period of one (1) year after resignation, retirement, or separation from public office, except in the case of subparagraph (b) (2) above, but the professional concerned cannot practice his profession in connection with any matter before the office he used to be with, in which case the one-year prohibition shall likewise apply.