

## **"NO GIFT POLICY" OF PORO POINT MANAGEMENT CORPORATION**

The Poro Point Management Corporation (PPMC) adheres to the principle that public office is a public trust. Thus, it is committed to the highest standards of ethics and conduct. To demonstrate this commitment, PPMC hereby adopts this "NO GIFT POLICY" and requires its officers and employees to practice and demonstrate equal treatment, unbiased professionalism and impartiality in the performance of their official duties and functions, without any expectation of any undue favor or reward. PPMC directs all its officers and employees to observe and comply with the "NO GIFT POLICY" which is adopted from the GCG Memorandum Circular No 2012-12, Series of 2012, on the "No Gift Policy" of the Governance Commission for GOCCs".

### **I. LEGAL BASIS**

This No Gift Policy is issued pursuant to the following:

1. Section 27, Article II of the 1987 Constitution

"The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption";

2. Section 1, Article XI of the 1987 Constitution

"Public office is a public trust and all public officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and lead modest lives";

3. Section 1 of Republic Act 3019 otherwise known as the Ant-Graft and Corrupt Practices Act

"Section 1. Statement of policy. It is the policy of the Philippine Government, in line with the principle that a public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices which may lead thereto";

4. Section 3 of Republic Act 3019 otherwise known as the Ant-Graft and Corrupt Practices Act

Among other acts or omissions, the following shall constitute corrupt practices of any public officer and thereby declared to be unlawful:

"(b) Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other part, wherein the public officer in his official capacity has to intervene under the law."

“(c) Directly or indirectly requesting or receiving any gift, present or other pecuniary or material benefit, for himself or for another, from any person for whom the public officer, in any manner or capacity, has secured or obtained, or will secure or obtain, any Government permit or license, in consideration for the help given or to be given...”

5. Section 2 of Republic Act 6713 otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees

“It is the policy of 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.”

6. Section 7(d) of Republic Act 6713 otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees

“Solicitation or acceptance of gifts. - Public officials and employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value from any person in the course of their official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of their office.”

7. Section 29 of GCG Memorandum Circular No. 2012-07, Code of Corporate Governance for GOCCs”

“Every Governing Board shall formally adopt a ‘No Gift Policy’ within the GOCC and ensure its full advertisement to the community and its strict implementation by particular set of rules.”

8. GCG Memorandum Circular No. 2012-12, “No Gift Policy” of the Governance Commission for GOCCs (GCG)

## II. STATEMENT OF “NO GIFT POLICY”

“The PPMC, its officers and employees, shall **NOT SOLICIT OR ACCEPT**, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or use anything of monetary value from a person, groups, associations, or juridical entities, whether from the public or private sectors, at any time, on or off the work premises, in the course of their official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of their office.

## III. PROHIBITIONS

The prohibition shall include, but not be limited to:

1. Honoraria given as speaker or resource person in seminars or where the officer or employee is participating by reason of his/her office with the PPMC;

2. Sponsorship in any form of any of the internal programs, activities, and affairs of PPMC such as Christmas parties, anniversary commemorations, etc.
3. Advertisements in the publication of PPMC;
4. Discounts, rebates, waivers and other forms of monetary incentives or benefits given to PPMC, its officers and employees, in availing of the services and/or facilities of persons or entities under the jurisdiction of PPMC;
5. Acceptance of invitations to social lunches and dinners with persons or entities under the jurisdiction of PPMC.

#### IV. EXCEPTIONS

Exempted from the "NO GIFT POLICY" are the following:

1. The acceptance and retention of certificates, plaques, cards, thank you notes, or other written forms of souvenir or mark of courtesy;
2. The acceptance of seminar bags and contents, and partaking of moderately priced meals and beverages that officers and employees obtain at events, such as conferences and seminars, and which are offered equally to all members of the public attending the event;
3. Acceptance of books, pamphlets, publications, and data and other information or reading materials that are directly useful to PPMC in the performance of its mandates, objectives, and which books and other materials are given by individuals or organizations that have no pending business with PPMC as to create an actual or potential conflict of interest;
4. The acceptance by PPMC Officers and employees of a scholarship or fellowship grant, travel grants or expense for travel taking place within or outside of the Philippines (such as allowances, transportation, food and lodging) or more than nominal value, if such acceptance is appropriate and consistent with the interests of the Government, and permitted by the Chairman of PPMC;
5. The acceptance or availment by PPMC of grants from local or foreign institutions in the pursuit of the mandates, projects and activities, such as those coming from ADB, World Bank, USAID, etc., provided that the availment thereof shall be strictly in compliance with applicable procurement laws, rules and regulations.

#### V. REQUIREMENT TO INFORM

PPMC officers and employees are required to professionally inform any individual or organization with any actual or potential business with PPMC of this "NO GIFT POLICY", the reasons PPMC has adopted this policy, and request that such individual or organization respect such policy. To inform walk-in clients and visitors of the Policy, the Office for HR & Administration is hereby directed to post the "NO GIFT POLICY" in conspicuous areas within PPMC premises.

## **VI. RETURN AND ACKNOWLEDGMENT OF GIFT**

If PPMC, any of its officers or employees, receives a gift covered by this policy, such gift, if feasible, shall immediately and politely be declined. In the event that it is not feasible, or it is inappropriate or impractical, to return the gift, e.g., it is a perishable item, the gift shall be donated to an appropriate charitable or social welfare institution. An acknowledgement letter shall be sent to the donor informing him/her of the "NO GIFT POLICY" or that the gift has been returned or donated to a charitable or social welfare institution.

## **VII. WRITTEN EXEMPTION**

Any exception to this "No Gift Policy" may be made only with the written permission of the Chairman of PPMC.

## **VIII. EFFECTIVITY**

This "NO GIFT POLICY" shall take effect immediately upon approval by the PPMC Board and the Governance Commission for GOCCs.

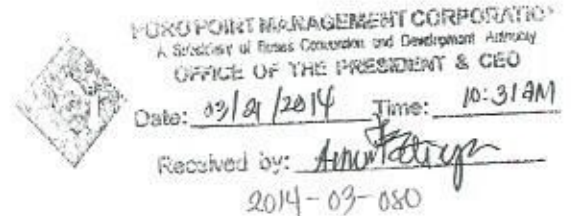


15 March 2014

**HON. IVES Q. NISCE**  
*Chairman*

**HON. FLORANTE S. GERDAN**  
*President and CEO (PCEO)*

**PORO POINT MANAGEMENT CORPORATION**  
Gov. Joaquin L. Ortega Avenue,  
Poro Point, San Fernando City,  
2500 La Union



**RE : NO GIFT POLICY**

Dear Chairman Nisce and PCEO Gerdan,

Formally contained in this letter is the Governance Commission's formal evaluation of the **NO GIFT POLICY** of **PORO POINT MANAGEMENT CORPORATION (PPMC)**, submitted to the Commission in the letter dated 19 November 2013,<sup>1</sup> which according thereto was approved by the PPMC Governing Board during its Special Meeting last 18 November 2013.

We confirm that submission of PPMC's No Gift Policy was pursuant to the following requirements of GCG, thus:

- (a) Section 29, GCG Memorandum Circular No. 2012-07 - Code of Corporate Governance for GOCCs; and
- (b) Section 3, GCG Memorandum Circular No. 2013-05 - Interim 2013 Performance-Based Bonus for Officers and Employees.

We note that the No Gift Policy of PPMC, as applied to the peculiar circumstances of PPMC, is a substantial reproduction of GCG's No Gift Policy promulgated under Memorandum Circular No. 2012-12.

**ACCEPTANCE OF THE NO GIFT POLICY**

The Governance Commission hereby accepts the submitted No Gift Policy of PPMC as compliance with Section 29, GCG Memorandum Circular No. 2012-07 (Code of Corporate Governance for GOCCs) and the Good Governance Conditions under GCG Memorandum Circular No. 2013-05 (Re-Issued) (2013 Interim Performance-Based Bonus [PBB]).

<sup>1</sup>Officially received by the Commission on 22 November 2013.

Very truly yours,

BY AUTHORITY OF THE COMMISSION



**CESAR L. VILLANUEVA**  
*Chairman*



**MA. ANGELA E. IGNACIO**  
*Commissioner*



**RAINIER B. BUTALID**  
*Commissioner*