

# **PRESIDENTIAL ANTI-GRAFT COMMISSION**

(PAGC)

## **IDAP CIRCULAR NO. 01 – 2005**

**TO : ALL CONCERNED HEADS OF DEPARTMENTS, BUREAUS, AND AGENCIES**

**SUBJECT : GUIDELINES ON THE IMPLEMENTATION OF THE INTEGRITY DEVELOPMENT ACTION PLAN (IDAP)**

### **1.0 Background**

The Presidential Anti-Graft Commission (PAGC) initiated the conduct of the unprecedented Presidential Anti-Corruption Workshop (PAW) last 15-17 December 2004 in Malacañan and at the Eugenio Lopez Center in Antipolo City. The workshop was attended by top-level officials in the Executive Department and was facilitated by a group of experts led by Mr. Tony Kwok of the Independent Commission Against Corruption (ICAC) of Hongkong.

The workshop's main output, the Integrity Development Action Plan (IDAP), was adopted as the National Anti-Corruption Strategy Framework of the Executive Branch, having 22 specific and doable anti-corruption measures and as such shall serve as Agency Heads' guide in crafting their own agency-specific anti-corruption plan. The cabinet secretaries, thru DFA Sec. Alberto Romulo, committed to implement the said action plan in their respective agencies.

During the same workshop, PAGC was tasked by Her Excellency President Gloria Macapagal-Arroyo to exercise oversight function over all agencies under the Executive Branch as regards IDAP implementation and sustainability of selected anti-corruption measures based on the IDAP.

To assist the agencies in the implementation of their respective IDAPs, PAGC conducted bimonthly follow-up meetings held last 18 February, 18 April, and 17 June 2005. In addition, an IDAP Performance Indicators Workshop was also organized in three batches (8, 9, 10 June 2005) which clarified PAGC's oversight function and resulted to a set of indicators that was agreed upon by the participating agencies. And to further equip the agencies with the knowledge and skills needed to properly carry out the IDAP, the IDAP Enhancement Seminar Workshop was conducted in three batches (28-29 July, 2-3 and 4-5 August 2005). Decisions based on the feedbacks and recommendations of the resource speakers and the participants of the workshops conducted led to specific guidelines for IDAP implementation.

### **2.0 Purpose**

This circular is being issued to provide agencies with guidelines for the implementation of their respective Integrity Development Action Plans (IDAPs) that will serve as basis for PAGC in assessing the level of implementation of the IDAP by the same agencies.

### **3.0 Coverage**

This circular shall apply to all departments, bureaus, and agencies under the executive branch with their own respective IDAPs.

## **4.0 Policy Guidelines**

### **4.1. General Application**

- 4.1.1. Agencies may add other measures, which they believe, are applicable to them. For these additional measures, the agencies shall formulate their own rating scales and submit the same to PAGC. On the other hand, it is acknowledged that some measures may not be applicable to certain agencies. If this is the case, the agencies shall inform PAGC to enable it to do the necessary verification.
- 4.1.2. Agencies shall follow a 5-year timeline for their IDAPs: ensuring that everything is in place by Year 3 and sustainability to be worked on for the remaining two years.
- 4.1.3. Lower-level indicators shall be pre-requisites to higher-level indicators.
- 4.1.4. An agency should meet all the requirements of a particular level before being given the rating of that level.
- 4.1.5. Agencies shall submit monthly reports on the status of their IDAP implementation to enable PAGC to do the necessary verification and more importantly, to act on the agencies' concerns faster.
- 4.1.6. The various IDAP measures shall have equal weights.

### **4.2. On Measures Under Prevention**

#### **4.2.1. Internal Audit Unit (IAU)**

- Internal auditing shall be an independent and objective assurance and consulting activity designed to add value and improve an organization's operations. It shall help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process.
- IA shall be multi-disciplined. The required qualification shall be dependent on the kind of internal audit needed by the agency.
- Agencies may create ad hoc units / positions/ designations for the setting up of the Internal Audit Unit, pending implementation of E.O. 366. However, it is a must for the agencies to incorporate in their proposal under EO 366 its IAU—the latest OP issuance on this is MC 89. (Annex A)
- The scope of the IAU shall be comprehensive to include systems audit, operations audit and performance audit. Moreover, the IAU shall be an independent unit within the agency and independent of those performing the function.
- IA report shall be substantial, concise and direct to the point— the same shall do away with transaction level items, focus on systems and on big-ticket items.
- While PAGC will undertake training of internal auditors as part of the World Bank grant, the agencies shall also undertake their own investments in the training of

internal auditors. The Office of the President has granted PAGC's request for exemption from Section 1. a(5) of Administrative Order No. 103, series of 2004, for IDAP related needs on trainings, seminars and workshops. (Annex B)

#### 4.2.2. Integrity Development Review (IDR)

- Agencies without IDR budget shall (1) have compensatory assessment instruments such as CPRP or their own agency-specific assessment tool and shall inform and apprise PAGC of that tool so that it can make appropriate recommendations; or (2) use the "PRIDE (Pursuing Reforms Through Integrity Development) Do-It-Yourself Integrity Development Review Handbook" (copies of which were given during the Presidential Anti-Corruption Workshop and the IDAP Enhancement Seminar-Workshop) to address the corruption vulnerabilities in their respective agencies.
- Agencies that have undergone IDR shall replicate the same in their regional and provincial offices considering that IDR has a technology transfer component.

#### 4.2.3. Integrity Check

- The components of integrity check shall include lifestyle check and background check.

#### 4.2.4. Multi-Stakeholder Performance Evaluation System

- Agency-specific performance evaluation system shall be in accordance with CSC Memorandum Circular no. 13, s. 1999 and duly approved by the Civil Service Commission.

### **4.3. On Measures Under Education**

#### 4.3.1. Agency-Specific Code of Ethical Standards

- The agency-specific code of ethical standards that will be developed shall be in accordance with RA 6713 and the template presented by the Office of the Ombudsman (Annex C) shall be adopted as model.

### **4.4. On Measures Under Deterrence**

#### 4.4.1. Internal Complaint Unit/ Internal Affairs Unit

- The Internal Complaint Unit shall be accountable for ensuring a documented receipt of the complaints and the initial screening that is needed to determine prima facie and to determine whether it is a legal or system concern. This information shall be provided to the head of the agency. Then based on the given information, the head of the agency shall refer complaints that are legal in nature to the Internal Affairs Unit; and those, which are systems in nature to the Internal Audit Unit.

#### 4.4.2. Publication of Blacklisted Offenders

- The following shall be considered blacklisted:

- i. A supplier who violated the Procurement Law
  - ii. Employees who are found guilty of violations and whose sanction involves dismissal with perpetual disqualification from public office
- This measure shall only apply to cases whose decisions are final and executory.

#### **5.0 Effectivity**

This circular shall take effect immediately.

01 September 2005, Quezon City, Philippines