

**CODE OF CONDUCT
FOR THE PPP GOVERNING BOARD**

WHEREAS, the 1987 Constitution provides that public office is a public trust, and 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 justice, and lead modest lives;

WHEREAS, Republic Act (R.A.) No. 6713, "*Code of Conduct and Ethical Standards for Public Officials and Employees*," declares that it is the policy of the State to promote a high standard of ethics in public service, and public officials and employees shall, among others, uphold public interest over personal interest;

WHEREAS, Executive Order (E.O.) No. 136, series of 2013, which creates the PPP Governing Board, states that the Board shall be responsible for setting the strategic direction of the PPP Program and creating an enabling policy and institutional environment for PPP;

NOW, THEREFORE, in recognition of its duties and obligations, the PPP Governing Board adopts the following:

**Rule I
Purpose**

Section 1. This Code of Conduct aims to establish guidelines for ethical standards of conduct of the PPP Governing Board (the Board) and to help determine the appropriate demeanor in certain cases.

This Code of Conduct represents an overall ethical framework by which all members of the Board shall endeavor to act and behave. It is not an exclusive listing of all ethical rules or requirements. All members of the Board shall be cognizant of their responsibilities under the law and shall inquire as to whether any contemplated act is in violation of this Code or any other applicable ethical rule or requirement.

**Rule II
Applicability**

Section 1. This Code of Conduct applies to the PPP Governing Board and its Secretariat, which, under E.O. No. 136, series of 2013, are the following:

Chairperson	:	Secretary of Socio-Economic Planning
Vice-Chairperson	:	Secretary of Finance
Members	:	Secretary of Budget and Management Secretary of Justice Secretary of Trade and Industry Executive Secretary Private Sector Co-Chairman of the National Competitiveness Council
Secretariat	:	PPP Center

This Code shall also apply to the Board Members' Permanent Representatives, and to the Board Executive Committee. For brevity, reference to Board Members shall be interpreted to include PPP Governing Board Members' Permanent Representatives, Executive Committee and the Secretariat.

Rule III General Principles of Conduct

Section 1. The PPP Governing Board, as the overall policy making body for PPP programs, shall abide by the following general principles:

- 1.1. Accountability.** The Board Members shall perform the duties of their offices responsibly and with accountability. The Board Members must be able to account for their actions and decision, if questions from the public or the Congress arise. They shall set a good example for others in the community, keeping in mind that public trust and respect must continually be earned.
- 1.2. Professionalism.** Governmental decisions and policies must be made competently and proficiently, and implemented through proper channels and processes of the government. Hence, the Board Members must commit to act with competence and efficiency in performing their duties.
- 1.3. Trustworthiness.** The stability and proper operation of the government depend upon public confidence in the government and upon responsible exercise of the trust conferred by the people upon the individuals serving therein. Thus, the Board Members must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of the constituents.
- 1.4. Integrity and Independence.** The Board Members must be able to act in a manner that maintains their integrity and independence, and is responsive to the interests and needs of the public, as elaborated in Section 3 hereof.

Section 2. The Board Members must always remain aware that, at various times, they play different roles:

- 2.1. As advocates, who strive to advance the legitimate need of the public.
- 2.2. As policy makers, who balance the public interest and private rights in considering and promulgating resolutions and policies.
- 2.3. As decision-makers, who arrive at fair and impartial administrative determinations.

The Board Members must know how to distinguish among these roles, to determine when each role is appropriate, and to act accordingly.

Section 3. The Board Members shall obey all laws applicable to their official actions. They shall be guided by the spirit as well as the letter of the law in whatever they do.

At the same time, the Board Members, while honoring difference in opinions, shall feel free to assert policy positions and opinions without fear of reprisal from anyone. It shall not be unethical to disagree on a question of policy.

Section 4. The Board Members shall act with integrity and independence from improper influence as they exercise their functions. The characteristics and behaviors consistent with this standard include the following:

- 4.1. Promoting honest and ethical conduct, including the principled handling of actual or apparent conflict of interest between personal and professional relationships.
- 4.2. Ensuring full, fair, accurate, timely and understandable disclosure in all written documents issued, and other relevant information to ensure that all decisions are made in conformity with the applicable laws, rules and principles of good governance.
- 4.3. Endeavoring to keep themselves up to date on all relevant laws, rules and issues.
- 4.4. Complying with the applicable laws, rules and regulations.
- 4.5. Behaving consistently and with respect toward everyone with whom they interact.
- 4.6. Exhibiting trustworthiness.
- 4.7. Using their best independent judgment to pursue the common good as they see it, and presenting their opinion to all in a reasonable, forthright, and consistent manner.
- 4.8. Remaining incorruptible, self-governing, and unaffected by improper influence while, at the same time, being able to consider the opinions and ideas of others.
- 4.9. Showing respect for their offices and not behaving in ways that reflect poorly on their duties as public servants.
- 4.10. Recognizing that they are a part of a larger group, the Board must take official actions as a body, unless otherwise authorized, and until all sides have been heard.
- 4.11. Disclosure of any actual, potential, or apparent conflict of interest and taking the appropriate steps to eliminate or abate the conflict, including divestment.
- 4.12. Observing confidentiality of material, non-public information acquired by reason of his position, and non-disclosure of any confidential information and discussions to unauthorized person/s without the authority of the Board.
- 4.13. Committing to the continuous improvement in the performance of functions.

Section 5. All the Board Members shall faithfully attend and prepare for meetings. They shall carefully analyze all credible information submitted to them, mindful of the need to engage in intelligent discussions.

All the Board Members shall be willing to bear their fair share of the Board's workload. To the extent appropriate, they shall be willing to put the Board's interests ahead of their own.

Rule IV Prohibited Acts and Transactions

Section 1. The Board Members shall avoid impropriety in the exercise of their official duties to ensure that their official actions are above reproach at all times. For purposes of this Code, an act shall be considered improper when a reasonable person, who is aware of all of the relevant facts and circumstances surrounding the questioned action, would conclude that the action was inappropriate.

Section 2. 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:

- 2.1. No Board Member shall, directly or indirectly, solicit, accept, or receive any gift, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance or promise, or in any other form, under circumstances in which it could be reasonably inferred that the gift was intended to influence the Board Member, or could reasonably be expected to influence him, in the performance of his duties, or was intended as a reward or gift for any official action on his part. The propriety or impropriety of the foregoing shall be determined by its value, kinship or relationship between the giver and receiver and the motivation.
- 2.2. The Board Members shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office, as members of the Board.
- 2.3. Having conflict of interest, as discussed in the next Rule, and non-divestment of such conflict of interest shall also be considered prohibited acts under this Code.

Rule V Conflict of Interest

Section 1. The Board Members shall avoid all instances, whether directly or indirectly, that may lead into a conflict of interest. As used in this Code, conflict of interest occurs when a Board member is a member of a board, an officer, or a substantial stockholder of a private corporation or owner or has 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. A substantial stockholder is any person who owns, directly or indirectly, shares of stock sufficient to elect a director of a corporation.

Section 2. The following procedure shall be observed in the divestment of conflict of interest:

- 2.1. When a conflict of interest arises, the Board Member involved shall resign from his position in any private business enterprise within thirty (30) days from his assumption of office and/or divest himself of his shareholdings or interest within sixty (60) days from such assumption. For those who are already in the service, and conflict of interest arises, the Board Member must resign from his position in the private business enterprise and/or divest himself of his shareholdings or interest within the periods herein above provided, reckoned from the date when the conflict of interest had arisen. The same rule shall apply where the Board Member is a partner in a partnership.
- 2.2. Divestment shall be to a person or persons other than the Board Member's spouse and relatives within the fourth civil degree of consanguinity or affinity.

Section 3. When an issue on conflict of interest arises, the Board shall create a panel or committee that will conduct an investigation thereon, and facilitate the divestment of said conflict of interest.

Rule VI Transparency of Transaction and Access to Information

Section 1. The Board Members shall conduct the affairs of the Board in an open and transparent manner. They shall comply with all applicable laws and issuances governing the public's right to information, recognizing that doing so is an important way to be worthy of the public's trust.

In order to ensure strict compliance with the applicable laws and issuances, the Board Members shall bear in mind that an environment of transparency and candor is to be maintained at all times. They shall take deliberate steps to make certain that any closed sessions held by the Board are lawfully conducted and that such sessions do not stray from the purpose for which they are called.

Section 2. The rules and procedures on the filing and processing of the request for access to information shall be in accordance with Executive Order No. 2, series of 2016 or other applicable laws or issuances.

Rule VII Penalties and Discipline

Section 1. The PPP Governing Board shall take a swift and decisive action on any verifiable information regarding the violation of any provision of this Code.

Section 2. Any violation of this Code shall be punished consistent with the provisions of RA No. 3019 or the Anti-Graft and Corrupt Practices Act, and RA No. 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees.

Section 3. The administrative proceedings for violation of this Code shall be in accordance with the Civil Service Law and applicable rules, without prejudice to other appropriate legal or authorized action, if warranted.

Rule VIII Supplementary Rules

Section 1. All provisions of law, rules and regulations governing or regulating the conduct of public officials and employees shall likewise apply to this Code.

Rule IX Amendment

Section 1. Amendment and modification of this Code shall be made in writing and with the written consent of the majority of the Board members.

**Rule X
Separability Clause**

Section 1. In the event any of the provisions of this Code is declared void or unenforceable, the other provisions unaffected thereby shall remain in full force and effect.

**Rule XI
Effectivity**

Section 1. This Code shall take effect immediately upon approval by the PPP Governing Board.

Done this ____ day of AUG 10 2017, 2017 in Pasig City.



SEC. ERNESTO M. PERNIA
Socioeconomic Planning Secretary
Chairperson



USEC. GRACE KAREN G. SINGSON
representing Sec. Carlos G. Dominguez,
DOF, Vice-Chairperson



USEC. LAURA B. PASCUA
representing Sec. Benjamin E. Diokno,
DBM, Member



USEC. RUTH B. CASTELO
representing Sec. Ramon M. Lopez,
DTI, Member



USEC. REYNANTE B. ORCEO
representing Sec. Vitaliano N. Aguirre II,
DOJ, Member



ATTY. MICHAEL P. ONG
representing ES Salvador C. Medialdea,
OES, Member



MR. GUILLERMO M. LUZ
NCC, Member