



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

MEMORANDUM CIRCULAR No. 07
Series of 2010

SUBJECT: Rules and Policies on Gifts and Benefits

WHEREAS, the 1987 Constitution of declares that "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 justice and lead a modest lives";

WHEREAS, while, R.A No.6713 and R.A 3019 and its implementing rules and other existing laws provides that solicitation, receiving or accepting gifts and benefits constitute as corrupt practice and prohibited acts and transaction, it is imperative need to formulate and adopt Rules and Policies governing solicitation, acceptance of gifts and benefits for the DAR officials and employees complementary to its integrity development and adherence to the principle of highest tenets of good governance;

WHEREAS, the Department of Agrarian Reform (DAR) as the lead implementing agency of the Comprehensive Agrarian Reform Program (CARP) is one of the compliant agencies of the Integrity Development Action Plan (IDAP) under the Presidential Anti-Graft Commission (PAGC) and one of the signatory agencies of the government under the Integrity Development Review (IDR) Project or the Program on Pursuing Reforms through Integrity Development (PRIDE);

WHEREAS, as a matter of official thrust and general policy, the DAR shall aggressively pursue good governance, corruption prevention and integrity initiatives in all DAR offices and operational units nationwide, with the aim of improving DAR's internal system as well as enhancing public perception of the agency;

WHEREAS, Filipino core values laid down in the Constitution and with enough emphasis on responsibility, loyalty (to the public) and patriotism, in light of the continuing strength of traditional values and folk norms like personalism, solidarity, and nobility ought to be used reflexively as resources to overcome corruption;

WHEREAS, the DAR believe in service and performance, foster social commitment, value integrity, possess a strong team spirit , and pursue a modernizing outlook;

NOW THEREFORE, the Department of Agrarian Reform hereby adopts the following Rules and Policies.

RULE I PREFACE

The Agency's responsibility, integrity, efficiency and fiduciary duty can be achieved and maintained if the Public are confident that the Officials and employees of the Department of Agrarian Reform (DAR) are not influenced by gifts and benefits or bribes. It is therefore essential to avoid any real or perceived attempts to improperly influence in gifts and benefits or bribes.

RULE II STATEMENT OF POLICY

The Department of Agrarian Reform, as the lead implementing agency of the Comprehensive Agrarian Reform Program, a social justice program of the government is committed to uphold the principles of good governance and to sustain the highest standards of honesty and integrity towards the attainment of more equitable land distribution and ownership of land to provide farmers and farm workers with the opportunity of improving the quality of their lives through greater productivity of agricultural land.

RULE III PURPOSES

These Rules and Policies are designed to regulate the solicitation, acceptance of gifts and benefits and to provide guidance to all DAR Officials and Employees regarding the issue of solicitation, receiving or being offered gifts or benefits. Consistent with the effort of the National Government to create a graft-free working government, it seeks to ensure that all DAR Officials and Employees are not influenced in the performance of their duties and are not perceived to be unduly influenced due to the offers of any gift or benefit.

RULE IV SCOPE

These Rules and Policies shall apply to all DAR Officials and Employees from the Central Office, the DARAB and the Regional, Provincial, Municipal Agrarian Reform Offices, regardless of whether or not they hold office or employment in a permanent, temporary, co-terminus, casual or contractual status in addition to other prohibitions on solicitation and receipt of gifts and benefits imposed under existing laws, rules and regulations.

RULE V DEFINITION OF TERMS

Section 1. As used herein, the terms hereunder shall be construed as follows:

- a. Gift – refers to a thing disposed of gratuitously in favor of another and shall include a simulated sale or a disposition onerous to the giver and/or unduly beneficial to the recipient. It shall not include an unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for, a favor from DAR officials or employees.
- b. Benefit – similar to a gift, it is of value to the recipient but less tangible (e.g. a new job or promotion, preferential treatment, or access to confidential information) or any other similar act of liberality in favor of the recipient.
- c. Bribe – a gift or benefit given for the purpose of winning favors or undue reward offered to someone in public office in order to influence their behavior in that office, and to induce them to act in a way that is contrary to the known rules of honesty and integrity.
- d. Token gift – refers to a gift that is offered in business situation to the Office or a staff member representing the Office. Such gifts are often small office or business

accessories (e.g. pens, calendars) that contain an agency or company logo. These are usually products that are mass-produced and usually given to all customers or meeting participants rather than personal gift.

- e. Ceremonial gifts – refers to a gift from one agency to another. Such gifts are often provided to a host agency when conducting official business with participants from another agency. Although these gifts may sometimes be offered to express gratitude, the gratitude always extends to the work of several people in the agency, and therefore the gift is considered to be for the agency, not a particular individual.
- f. Agent – refers to a person who acts as a representative of another.
- g. Gift and Benefit Register – a registry book maintained by every office/unit and the Internal Audit Service (IAS) in the Central Office, the DARAB, Regional Offices Provincial Offices and Municipal Offices
- h. Nominal Value – For the purposes of this policy, a value that is equal to or less than two hundred pesos (Php. 200.00).
- i. Workplace – refers to the place within the DAR Office and its premises or such other places temporarily occupied by the office or its officers and employees in the conduct of office related functions and activities.
- j. Receiving any gift – includes the act of accepting directly or indirectly, a gift regardless of cost or value from a person other than a member of his family or relative defined under RA 6713, even on the occasion of a family celebration or national festivity like Christmas, if the gift is given in anticipation of, or in exchange for a favor.
- k. Solicitation – means a request or petition to obtain something directly or indirectly, any gift, gratuity, favor, entertainment, loan, or anything of monetary value from any person

I. Prohibited Gifts – a gift is considered prohibited if the person or entity that is offering the gift:

- a) is seeking official action from the DAR official or employee
- b) does business or seeks to do business with the DAR official or employee
- c) has interest that maybe substantially affected by the performance or non-performance of the official duties and functions of the DAR official or employee

RULE VI RULES AND POLICIES

Section 2. DAR officials and employees shall not solicit, accept or receive, directly or indirectly, any gift(s) and/or benefit(s) for themselves or for others.

Section 3. DAR officials and employees shall not solicit, accept or receive, directly or indirectly, any gift and/or benefit from any party which may influence their official actions or which might reasonably be perceived as influencing or improperly relating to past, present or future performance of their official functions.

Section 4. In the course of the performance of their official functions, DAR officials and employees shall not solicit, accept or receive any fee or remuneration beyond what they are legally entitled to receive in their official capacity in accordance with law.

Section 5. DAR officials or employees shall not solicit, accept or receive any gift and/or benefit directly or indirectly from any of the following:

- a. Parties, counsel, and their agents in any cases involving Agrarian Disputes, Agrarian Law Implementation (ALI), Administrative Discipline and Other cases involving the Implementation of the Comprehensive Agrarian Reform Program and other existing laws before the DAR

- b. Any bidder, supplier, contractor or entity and their agents with contract/s with the DAR
- c. Any individual, counsel, witness, or their agent undergoing any fact-finding/formal investigation or ocular inspection (OCI) being conducted by DAR or by any government agency involving the implementation of the Comprehensive Agrarian Reform Program and other existing laws before the DAR
- d. Other parties transacting business with the DAR

Section 6. DAR officials and employees shall likewise not solicit, accept or receive gifts and/or benefits from other persons belonging from the public sector not falling within the classification provided under Section 5, hereof.

Section 7. DAR officials and employees may accept or receive gifts and/or benefits from their spouses, children and parents, provided that the latter shall not appear as counsel in any case before the DAR or the DARAB. They may also accept or receive gifts and /or benefits from their parents-in-law, brothers and sisters and other relatives within the 4th civil degree, provided that the latter do not fall in the classification in Section 5. Gifts and/or benefits received under this Section valued at Two Thousand Pesos (Php2,000.00) or more shall be recorded in a Gift and Benefit Register to be provided and kept in custody by every office/unit and the Internal Audit Service (IAS).

Section 8. DAR officials and employees may give and/or receive token gifts of nominal value or insignificant value from their fellow officials or employees appropriate to the occasion in which it is made. A gift shall be considered nominal if it has a value of Two Hundred Pesos (Php 200.00) or less on a per giver/recipient basis. All gifts/benefits above the nominal value should be properly registered or recorded in the Gifts and Benefits Register to ensure transparency. It must be understood however, that if the aggregate amount

of the token gift of nominal value received under this section within the calendar year is Two Thousand Pesos (Php 2,000.00) or more, the recipient shall cause the same to be recorded in the Gift and Benefit Register in the custody of their respective offices/units.

Section 9. DAR officials and employees may solicit, give and/or receive to/from their fellow officials and employees emergency contributions/assistance of reasonable value or amount in cases of death, illness and other similar situations.

Section 10. DAR officials and employees may receive ceremonial gifts or other token of appreciation or gratitude and /or benefits appropriate to the occasion/ceremony to which he/she is invited as guest speaker, lecturer or any other invitation of similar nature, provided that such ceremonial gifts might not reasonably be perceived as intended to influence the officials/employees in the performance of their official functions.

Transportation and accommodation intended to the invited DAR official or employee may also be accepted provided that such might not reasonably be perceived as intended to influence the Officials/employees in the performance of their functions.

Section 11. All prohibited gifts left at the work place or office premises shall be returned immediately to the giver. In circumstances where said gift (e.g perishable goods) is considered inappropriate or impractical to return the concerned official/employee shall immediately notify his/her immediate supervisor or the Director of Administrative Service and hand over the same to the Director of Internal Audit Service (IAS) or his duly designated representative, who shall dispose the same in favor of any legitimate Agrarian Reform Communities (ARCs) or bonafide farmer-beneficiaries or any appropriate charitable institutions or organization including indigent families. The Director of IAS or his duly designated representative

shall report to the IDC Chairman any incident covered by this Section.

Section 12. These Rules shall not apply to the following:

- a.) Gifts and/or benefits received by the Department as an institution from other agencies or offices or organizations, including grants and donations;
- b.) Gifts or cash awards given by the Department to its officials and employees during Anniversary and Christmas celebrations and other similar occasions.
- c.) Gifts exchanged on occasions of Christmas celebrations among members of the Inter-Agency Anti-Graft Coordinating Council, and other Organizations to which the DAR is a member; and
- d.) Performance-based cash awards, scholarship grants, and similar benefits granted to DAR officials and employees by appropriate government agencies, private institutions, or national or international organizations.

RULE VII PROCEDURE FOR RECORDING AND MONITORING

Section 13. DAR Officials and employees shall use the Decision Making Guide (refer attached **Appendix A**) to assist them to decide whether or not to accept or receive any gift or benefit being offered.

Section 14. If DAR official or employee receives an offer of a gift or benefit, the same shall be disclosed promptly to their immediate supervisor, the Head of Office or Bureau Director. It shall be recorded or registered in the Gift and Benefit Registry maintained in custody by each office/unit. (refer attached **Appendix B**)

- Section 15. If multiple gifts or benefits are received from the same donor(s) in a similar relationship with the DAR official or employee in any calendar year and the cumulative value is Two Thousand Pesos (Php 2,000) or more then each gift or benefit shall be registered.
- Section 16. It shall be the duty of the Bureau Director or Head of office for every Office/Unit to submit quarterly report to the IDC Chairperson thru the Director of IAS on gifts and benefits herein registered.
- Section 17. It shall be the duty of the Director of IAS to submit a quarterly consolidated Agency Report to the Head of Agency thru the IDC Chairperson on Gifts and Benefits herein registered.

RULE VIII PENALTIES

- Section 18. Any DAR official or employee, regardless of whether or not they hold office or employment in a permanent, temporary, co-terminus, casual or contractual status committing any violation of these Rules shall be liable for an administrative offense of Misconduct or any other administrative offenses appropriate under the circumstances with corresponding penalties provided in the Uniform Rules on Administrative Cases in the Civil Service (URACCS) without prejudice to the filing of appropriate criminal charges, if warranted against erring officials/employees. If the violation is punishable by a heavier penalty under another law, he shall be prosecuted under the latter statute.
- Section 19. Pursuant to DAR Memorandum Order No.4, Series of 1993, as amended by DAR Memorandum Order No.1, Series of 1997 (General Guidelines and Delegation of Authority on Disciplinary Cases), the Office of the Undersecretary for Legal Affairs through the Legal Service or Office of the Regional Directors, shall serve as the channel for complaints against DAR officials and employees. The said Office shall evaluate the complaints and proceed with the conduct of investigations in accordance with the Uniform Rules

on Administrative Cases in the Civil Service. The said office may also refer the complaints against DAR officials and employees before the Ombudsman for further action/prosecution.

RULE IX FINAL PROVISIONS

Section 20. All provisions of laws, Civil Services Rules and Regulations governing or regulating acceptance of gifts and benefits applicable herein, including administrative issuance are deemed incorporated in this Rules.

Section 21. This Memorandum Circular shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

24 June 2010 Diliman, Quezon City.



NASSER C. PANGANDAMAN
Secretary

Department of Agrarian Reform
Office of the Secretary



ARC-10 - 02165



APPENDIX "A"



