

Philippine Crop Insurance Corporation  
**PCIC CODE OF ETHICS**

As an integral part of the National Government, Government Owned and Controlled Corporations (GOCCs) are inherently mandated to be socially responsible, to act and operate as good corporate citizens. The Board shall recognize and perform the obligations the PCIC has towards the National Government, its stakeholders, together with the employees, suppliers, customers, and the communities in which it operates.

PCIC Directors, Officers and employees are required to abide by ethical policies mandated by this Code and other pertinent laws, rules, and regulations. The protection of the reputation and goodwill of the PCIC is of fundamental importance, and Directors, Officers and employees should be aware of the disciplinary implications of breaches of policy.

## **I. NORMS AND DUTIES OF PUBLIC OFFICIALS AND EMPLOYEES**

PCIC Directors, Officers, and employees are covered by the provisions of Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees), thus, they are expected to promote a high standard of ethics in public service and 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.

In accordance with R.A. 6713, all PCIC Directors, officers, and employees shall observe the following standards of personal conduct in the discharge and execution of official duties:

- Always uphold public interest over and above personal interest;
- Perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill;
- Remain true to the people at all times and act with justness and sincerity and shall not discriminate against anyone, especially the poor and the underprivileged;
- Provide service to everyone without unfair discrimination and regardless of party affiliation or preference;
- Be loyal to the Republic and to the Filipino people at all times;
- 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; and
- Lead modest lives appropriate to their positions and incomes.

In the performance of their duties, all PCIC Directors, officers, and employees are under obligation to:

- Act promptly and/or respond on letters and requests within 15 working days from receipt thereof;

- Process documents and papers expeditiously; and
- Act immediately on the public's personal transactions.

## **II. FIDUCIARY DUTIES OF PCIC DIRECTORS AND OFFICERS**

Republic Act No. 10148 (GOCC Governance Act of 2011) designates the members of the Board of Directors and the officers of the GOCCs as fiduciaries who have the duty to act in the best interest of the State at all times. Further, it asserts that the Board of Directors and Officers have trustee relations to the properties and monies of the GOCC. Thus, it is expected that they protect and preserve to the best of their abilities these properties and monies.

### **A. Duty of Diligence**

The fiduciary duty of diligence of Directors and Officers to always act in the best interest of the PCIC, with utmost good faith in all its dealings with the property and monies of the Corporation, includes the obligation to:

1. Exercise extraordinary diligence, skill and utmost good faith in the conduct of the business and in dealing with the properties of the PCIC, using the utmost diligence of a very cautious person with due regard to all the circumstances;
2. Apply sound business principles to ensure the financial soundness of the Corporation; and
3. Elect and/or employ only Officers who are fit and proper to hold such office with due regard to the qualifications, competence, experience and integrity.

### **B. Duty of Loyalty**

The fiduciary duty of loyalty of Directors and Officers to always act in the best interest of the Corporation, with utmost good faith in all its dealings with the property and monies of the Corporation, includes the obligation to:

1. Act with utmost and undivided loyalty to the Corporation;
2. Avoid conflicts of interest and declare any interest they may have in any particular matter before the Board; and
3. Avoid (a) taking for themselves opportunities related to the PCIC's business; (b) using the PCIC's property, information or position for personal gain; or (c) competing with the PCIC's business opportunities.

## **III. RESPECT FOR AND OBEDIENCE TO THE CONSTITUTION AND THE LAW**

As public officials and civil servants, PCIC Directors, Officers, and employees shall respect and obey the Constitution, shall comply and cause the Corporation to faithfully and timely comply, with all legal provisions, rules and regulations, and corporate governance standards, applicable to them and to the Corporation in which they serve, and to act within the bounds of the PCIC Charter.

#### **IV. AVOID CONFLICT OF INTEREST**

PCIC Directors, Officers, and employees shall at all times avoid any actual or potential conflict of interest with the Corporation. Each shall also avoid any conduct, or situation, which could reasonably be construed as creating an appearance of a conflict of interest.

Any question about a Director's or Officer's actual or potential conflict of interest with the Corporation shall be brought promptly to the attention of the Chairman of the Board, who will review the question and determine an appropriate course of action.

#### **V. NO GIFT POLICY**

Except as otherwise provided in this Policy, all employees of the PCIC and the members of the Board of Directors, shall not solicit, demand, or accept, directly or indirectly, any gift from any person, group, association, or juridical entity, whether from the public or private sector, at any time, inside or outside the work premises, where such gift is either:

- Given in the course of their official duties or in connection with any transaction which may be affected by the functions of their office;
- Illegal or in violation of applicable laws, rules and regulations;
- Part of an attempt or agreement to perform or not to perform, in return thereof;
- Intended to influence the action or inaction of directors or employees;
- In exchange for giving unwarranted benefits, advantage or right to any person; and/or
- Used to create the appearance of a conflict of interest.

**A. Allowable Gifts** – The following gifts shall be exempted from the prohibition under this Policy:

1. Certificates, plaques, cards, thank you notes, or other written forms of souvenir or mark of courtesy, recognition, or appreciation;
2. Seminar items (e.g. pens, hand-outs, etc.) or any other materials which are uniformly given to all participants in the seminar;
3. Books, pamphlets, publications, data and other information or reading materials that are directly useful to the PCIC in the performance of its mandates, objectives, and are given by individuals or organizations that have no pending business with the PCIC as to create an actual or potential conflict of interest;
4. Gifts given on special occasions between and among the PCIC employees or the members of the Directors, provided that such gifts should be unsolicited gifts of small or insignificant value offered or given as a mere ordinary token of gratitude or friendship according to local customs or usage (Section 14 of R.A. No. 3019, the Anti-Graft and Corrupt Practices Act);

5. Scholarships or fellowship grants, travel grants or expenses for travel taking place within or outside of the Philippines (such as allowances, transportation, food and lodging) if appropriate and consistent with the interest of the government, and with prior approval by the proper authorities in accordance with applicable laws or under rules and regulations, provided, that said trainings, travels, and scholarships should, however, be first permitted or approved by the Chairman of the Governing Board of PCIC (Section 7(ii) and (iii) of R.A. No. 6713, the Code of Conduct and Ethical Standards for Public Officials and Employees);
6. Honoraria given as speaker or resource person in seminars when such honoraria are authorized under existing laws or rules and regulations and subject to compliance with all the requirements prescribed therein. However, in the absence of such law, such honoraria are not allowed, especially if the speaker or resource person is speaking by reason of his/her office with PCIC. This is to prevent the use of one's office or position for personal profit, and considering that one is already duly compensated for such office or position;
7. Working lunches or dinners with clients or other stakeholders of the PCIC if such lunches or dinners are inevitable in the course of official transactions, provided that such working lunches or dinners should, however, be of modest value not exceeding what is normal or customary in the business of PCIC;
8. Product samples of nominal value given by clients or potential clients if giving such samples are allowed under the law or part of the standard procedures mandated by law or the rules (e.g. rules on bidding); and
9. Unsolicited gifts of nominal or insignificant value provided it is not given in anticipation of or in exchange for a favor from the public official or employee.

**B. Requirement to Inform** – PCIC officers and employees are required to professionally inform any individual or organization with any actual or potential business with the PCIC of this "No Gift Policy", the reasons the PCIC has adopted this policy, and request that such individual or organization respect such policy. Notices informing walk-in clients and visitors of the Policy shall likewise be posted in conspicuous areas within PCIC premises at the Head Office and Regional Offices (GCG M.C. No. 2012-12, No Gift Policy).

**C. Duty of Director or Employee if Gift is Offered or Given** – If any gift prohibited under this Policy is offered or given to any director or employee, the latter shall politely decline the acceptance of such gift and courteously inform the offer or giver about the PCIC "No Gift Policy".

**D. Duty of Director or Employee if Gift is Inevitably Received** – In the event that, despite diligent efforts to refuse acceptance, any gift is inevitably received because it was sent through modes other than personal delivery or the offer or insisted acceptance, the recipient of such gift shall, within twenty-four (24) hours from receipt, report the acceptance thereof and turn-over the gift to the Administrative and Finance Division (AFD) or Property Management and General Services Division (PMGSD), as the case may be, for proper

documentation and handling of the gift in accordance with the provisions of this Policy.

**E. Gift Registry** – Except for Section IV (B), Nos. 1, 2, 3 and 4, any gift received, regardless of value or kind, shall be registered in a Gift Registry to be maintained by the Administrative and Finance Division (AFD) or Property Management and General Services Division (PMGSD), as the case may be. The following information about the gift shall be recorded in the Gift Registry:

1. Purpose;
2. Nature, form, or kind;
3. Amount/value (if applicable);
4. Date and time of receipt;
5. Name, office address, and contact number of the giver;
6. Name and position of the director/employee who received the gift;
7. Date and time of delivery to the Gift Registry; and
8. Other information as may deem necessary.

**F. Donation of Gifts to Charitable Institutions** – All gifts received shall be donated to appropriate charitable or social welfare institutions to be chosen from a list to be provided. An acknowledgment letter shall be sent to the giver of the gift informing the latter about the donation to the recipient institution/s.

**G. Policy Implementation and Monitoring** – The PCIC shall ensure full advertisement, monitoring, and strict implementation of this Policy. A report of the gifts received and donated or that no gift has been received shall be submitted by the AFD/PMGSD to the Compliance Officer every 2<sup>nd</sup> week of January and 2<sup>nd</sup> week of July in time for the Bi-annual Management Meeting.

## **VI. COMPLAINTS, GRIEVANCES, AND VIOLATIONS**

PCIC shall handle complaints and/or grievances in accordance with its Grievance Machinery and/or Whistleblowing Policy.

Any violation by an employee of the provisions of this Policy shall be dealt with in accordance with the Revised Rules on Administrative Cases in the Civil Service, without prejudice to any civil or criminal liability that may arise therefrom under other applicable laws, rules and regulations.

Any violation by a director of the provisions of this Policy shall be dealt with in accordance with applicable laws.

## **VII. OTHER LAWS, RULES, AND REGULATIONS**

Laws, rules, and regulations of the Governance Commission for GOCCs, Civil Service Commission, and other government regulatory agencies and the internal issuances of the Corporation relating to the conduct of public officers and employees are deemed incorporated into this Code.

## **VIII. IMPLEMENTATION AND MONITORING**

All PCIC Directors, Officers, and employees shall be given a copy of the Code by the Administrative Department (Head Office) or the Administrative and Finance Division (Regional Offices). There shall be a yearly orientation/reorientation regarding the Code. They are also required to sign and submit a Code of Conduct Compliance Certificate every January of each year.

PCIC shall also conduct seminars and/or workshops regarding values orientation, gender-responsiveness, social responsibility, work ethics, etc. in order to instill to its Directors, officers and employees the need to comply with the Code of Ethics and other ethical policies as mandated by law, the GCG, the CSC, among others.