

Philippine Crop Insurance Corporation
CODE OF ETHICS

INTRODUCTION

It is the policy of the State to promote a high standard of ethics in public service among public officials and employees. 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.

**NORMS OF ETHICS FOR ALL PCIC OFFICIALS AND EMPLOYEES,
INCLUDING ITS DIRECTORS**

Every public official and employee of the PCIC shall observe the following as standards of personal conduct in the discharge and execution of official duties:

(a) Commitment to Public Interest

Public officials and employees shall always uphold the public interest over and above personal interests. All government resources must be employed and used efficiently, honestly and economically to avoid wasting public funds.

(b) Professionalism

Public officials and employees shall perform and discharge their duties with utmost devotion and dedication and with the highest degree of excellence, professionalism, intelligence and skill.

(c) Justness and Sincerity

Public officials and employees must act with justness and sincerity and shall not discriminate against anyone. They shall respect the rights of others, and shall refrain from doing acts contrary to law, good morals, good customs, public policy, public order, public safety and public interest. They shall not dispense or extend undue favors on account of their office to their relatives and friends.

(d) Political Neutrality

Public officials and employees shall not engage in partisan political activities. They shall provide services to everyone without unfair discrimination and regardless of party affiliation or preference.

(e) Responsiveness to the Public

Public officials and employees shall extend prompt, courteous, and adequate service to the public. Unless otherwise provided by law or when required by the public interest, they shall provide relevant data and information on their policies,

procedures and operations, ensure openness of communication with the public, and avoid red tape.

(f) Nationalism and Patriotism

Public officials and employees shall be loyal to the Republic and to the Filipino people, promote the use of locally produced goods, resources and technology, and encourage appreciation and pride of country and people. They shall endeavor to maintain, protect, and defend Philippine sovereignty against foreign intrusion.

(g) Commitment to Democracy

Public officials and employees shall 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. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.

(h) Simple Living

Public officials and employees and their families shall lead modest lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

In the performance of their duties, all officials and employees of the PCIC are under obligation to faithfully observe the following:

(a) Act promptly on letters and requests.

All public officials and employees shall, within fifteen (15) working days from receipt thereof, respond to letters, telegrams or other means of communications sent by the public. The reply must contain the action taken on the request.

(b) Submit annual performance reports

The President of PCIC, in coordination with the department heads shall, within forty-five (45) working days from the end of the year, render a performance report of the Corporation. Such report shall be open and made available to the public within regular office hours.

(c) Process documents and papers expeditiously

All official papers and documents must be processed and completed within a reasonable time from the preparation thereof and must contain, as far as practicable, not more than three (3) signatories therein. In the absence of duly authorized signatories, the official next-in-rank or officer-in-charge shall sign for and in their behalf.

(d) Act immediately on the public's personal transactions

All public officials and employees must attend to anyone who wants to avail himself of the services of the PCIC and must, at all times, act promptly and expeditiously on such requests.

(e) Make documents accessible to the public

All public documents must be made accessible to, and readily available for inspection by, the public within reasonable working hours.

**ADDITIONAL NORMS OF ETHICS SPECIFIC
FOR PCIC DIRECTORS AND OFFICERS**

Directors and officers of the PCIC (those occupying Salary Grade 26 position or higher) are considered "Public Officials" and are covered by the provisions of the Code of Conduct and Ethical Standards for Public Officials and Employees (R.A. 6713).

All Directors and officers shall promote a high standard of ethics in public service, be accountable at all times to the people, 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.

All Directors and officers are fiduciaries of the State. As such, they are considered as trustees of the Corporation, with the legal obligation and duty to always act in the best interest of the PCIC in utmost good faith regarding all dealings with the properties, interests and monies of the Corporation.

Respect for and Obedience to the Constitution and the Law

As public officials, all Directors or officers shall respect and obey the Constitution, faithfully comply with all legal provisions, rules and regulations, and corporate governance standards, applicable to them and to the Corporation, and act within the bounds of the PCIC Charter.

Duty of Diligence

The fiduciary duty of diligence of all Directors and officers includes the obligation to:

- (a) Exercise extraordinary diligence, skill and utmost good faith in the conduct of the business and in dealing with the properties and monies of the PCIC, using the utmost diligence of a very cautious person with due regard to all the circumstances;
- (b) Apply sound business principles to ensure the financial soundness of the Corporation; and

- (c) Elect and/or employ only officers who are fit and proper to hold such office with due regard to their qualifications, competence, experience and integrity.

Knowledge of the PCIC's Operations as Regulatory Environment

Every Director or officer, by the act of accepting such position in the PCIC, affirms and agrees:

- (a) To have a working knowledge of the statutory and regulatory requirements affecting the PCIC, including the contents of the PCIC Charter, the requirements of the GCG, and where applicable, the requirements of other Supervising Agencies; and
- (b) To always keep himself informed of industry developments and business trends in order to safeguard the PCIC's interests and preserve its competitiveness.

Against Taking Advantage of Corporate Opportunities

Where a Director or an officer, by reason of his being a member of the Board or an Officer the PCIC, acquires or receives for himself the following:

- (a) A benefit or profit of whatever kind or nature, including but not limited to, the acquisition of shares in corporations where the PCIC has an interest;
- (b) The use of the properties of the PCIC for his own benefit;
- (c) The receipt of commission on a contract with the PCIC or its assets; or
- (d) The taking advantage of corporate opportunities of the PCIC, all such profits or benefits shall be subject to restitution pursuant to Section 24 of R.A. 10149, without prejudice to any administrative, civil or criminal action against the Director or officer concerned. The remedy of restitution shall apply notwithstanding the fact that such Director or Officer risked his own funds in the venture.

PROHIBITED ACTS AND TRANSACTIONS

In addition to acts and omissions of public officials and employees prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee of the PCIC and are hereby declared to be unlawful:

(a) Financial and Material Interest

Public officials and employees shall not, directly or indirectly, have any financial or material interest in any transaction requiring the approval of their office.

(b) Outside Employment and Other Activities

Public officials and employees during their incumbency shall not:

- (1) Own, control, manage or accept employment as officer, employee, consultant, counsel, broker, agent, trustee or nominee in any private enterprise regulated, supervised or licensed by their office unless expressly allowed by law;
- (2) Engage in the private practice of their professions unless authorized by the Constitution or law; Provided that such practice will not conflict or tend to conflict with their official functions; or
- (3) Recommend any person to any position in a private enterprise which has a regular or pending official transaction with the PCIC.

The above prohibitions (a) and (b) shall continue to apply for a period of one (1) year after resignation, retirement, or separation from public office, except in the case of Subparagraph (b) (2) above, but the professional concerned cannot practice his profession in connection with any matter before his former office, in which case the one-year prohibition shall likewise apply.

(c) Disclosure and/or Misuse of Confidential Information

Public officials and employees shall not use or divulge, confidential or classified information officially known to them by reason of their office and not made available to the public.

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.

As to gifts or grants from foreign governments, the following guidelines shall be observed:

- (a) The acceptance and retention by a public official or employee of a gift of nominal value tendered and received as a souvenir or mark of courtesy;
- (b) The acceptance by a public official or employee of a gift in the nature of a scholarship or fellowship grant or medical treatment; or
- (c) The acceptance by a public official or employee of travel grants or expenses for travel taking place entirely outside the Philippine (such as allowances, transportation, food, and lodging) of more than nominal value if such acceptance is appropriate or consistent with the interests of the Philippines, and permitted by the President of PCIC.

All public officials and employees of the PCIC 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:

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

As an exception, unsolicited gifts or presents of small or insignificant value offered or given as a mere ordinary token of gratitude or friendship according to local customs or usage, shall be excepted from this Code of Ethics.

Requirement to Inform

All PCIC Directors, officers and employees are required to formally inform any individual or organization with any actual or potential business with the PCIC of the "No Gift Policy."

Duty of Director, Officers or Employee if Gift is Offered or Given

If any prohibited gift is offered or given to any Director, officer or employee, they shall politely decline the acceptance of such gift and courteously inform the offer or giver about the PCIC "No Gift Policy".

Duty of Director, Officer 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 offeror 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.

STATEMENTS AND DISCLOSURE

Public officials and employees have an obligation to accomplish and submit declarations under oath of their respective assets, liabilities, net worth and financial and business interests including those of their spouses and unmarried children under eighteen (18) years of age living in their households.

All public officials and employees, except those who serve in an honorary capacity, laborers and casual or temporary workers, shall file under oath their Statement of Assets, Liabilities and Net Worth and a Disclosure of Business Interests and Financial Connections and those of their spouses and unmarried children under eighteen (18) years of age living in their households.

The documents must be filed:

- (1) within thirty (30) days after assumption of office;
- (2) on or before April 30, of every year thereafter; and
- (3) within thirty (30) days after separation from the service.

It shall be the duty of every public official or employee to identify and disclose, to the best of his knowledge and information, his relatives in the Government in the form, manner and frequency prescribed by the Civil Service Commission.

The Statement of Assets, Liabilities, and Net Worth shall contain a true detailed and sworn statement of assets and liabilities, including a statement of the amounts and sources of his income, the amounts of his personal and family expenses and the amount of income taxes paid for the immediately preceding calendar year; Provided that public officers assuming office less than two months before the end of the calendar year, may file their statements in the following month of January.

DIVESTMENT

A public official or employee shall avoid conflicts of interest at all times. When a conflict of interest arises, he 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 in such private business enterprise within sixty (60) days from such assumption.

The same rule shall apply where the public official or employee is a partner in a partnership.

CONFLICT OF INTEREST

All PCIC Directors, officers and employees shall not use his position to profit or gain some benefit or advantage to the detriment of the PCIC as such acts constitute conflict of interest. They 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, officer's or employee'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.

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 officials and employees are deemed incorporated into this Code of Ethics.

IMPLEMENTATION AND MONITORING

All PCIC Directors, Officers, and employees shall be given a copy of the Code of Ethics by the Administrative Department (Head Office) or the Administrative and Finance Division (Regional Offices), and a yearly orientation/reorientation thereof shall be conducted. They shall also be required to sign and submit a Code of Ethics Compliance Certificate to the Administrative Department within 30 calendar days from receipt of the Code of Ethics, and thereafter, within the month of January of each year.

PCIC shall 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 this Code of Ethics and other ethical policies as mandated by law, the GCG, the CSC, among others.