

NO GIFT POLICY OF PHILEXIM

The Philippine Export-Import Credit Agency (PhilEXIM) hereby adopts this "NO GIFT POLICY" to reinforce its commitment of adhering to highest ethical standards and best practices of professional conduct in terms of soliciting or accepting of gifts under its own Code of Ethics and Business Conduct¹. All PhilEXIM officials and employees are directed to strictly observe this NO GIFT POLICY.

1. BASIS

- 1.1 Section 27, Article II of the Constitution states that - "The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption."
- 1.2 Section 1, Article XI of the Constitution provides that -"Public Office is a public trust. 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."
- 1.3 Section 1 of the Anti-Graft and Corrupt Practices Act (Republic Act No. 3019), states that - "It is the policy of the Philippine Government, in line with the principle that a public office is a public trust, to repress certain acts of public officers and private person alike which constitute graft or corrupt practices or which may lead thereto."
- 1.4 Section 7 (d) of Code of Conduct and Ethical Standards for Public Official and Employees (Republic Act No. 6713), provides that – "It is the policy of the State to promote a high standard of ethics in public service. Public official and employees shall at all times 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."
- 1.5 Section 6.4 of the PhilEXIM Code of Ethics and Business Conduct which prohibits solicitation or acceptance of gifts, among others, by PhilEXIM officials and employees in the course of their official duties or in connection with any transaction which may be affected by the functions of their office.

¹ Approved by the Board of Directors on 19 March 2007 under Board Resolution No. 1887, Series of 2007.

- 1.6 Section 29 of the Code of Corporate Governance for GOCCs mandates all Governing Boards of Government Owned or Controlled Corporations (GOCCs) to adopt a “No Gift Policy” and ensure its full advertisement and strict implementation within the organization.

2. COVERAGE

This Policy shall apply to the Board of Directors, officers and employees including contractual employees and consultants of PhilEXIM.

3. NO GIFT POLICY

All PhilEXIM officials and employees shall not solicit, demand or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or anything of monetary value from any person, whether natural or juridical, at any time, on or off the work premises, 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, including, but not limited to those gifts given to influence the decisions or actions of officials or employees, or create the semblance or appearance of a conflict of interest or serve as a motivation or part of an agreement to favor or do anything in return.

4. EXCEPTIONS

The following are exempted from the prohibition under this Policy:

- 4.1 Unsolicited gift of nominal or insignificant value not given in anticipation of, or in exchange for, a favor from an official or employee or given after the transaction is completed or service is rendered. As to what is a gift of nominal value will depend on the circumstances of each case taking into account the salary of the official or employee, the frequency or infrequency of the giving, the expectation of benefits, and other similar factors.
- 4.2 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 the prescribed requirements.
- 4.3 Official, business or working breakfast, lunch or dinner with clients or other stakeholders of PhilEXIM, if such are unavoidable in the course of official duties and transactions.
- 4.4 Acceptance and retention of certificates, plaques, cards, thank you notes, or other written form of souvenirs or mark of courtesy.
- 4.5 Acceptance of seminar bags and contents (writing/memo pad, pen, key chain, etc.), and partaking of moderately priced meals and beverages that officials and employees obtain at events, such as conferences and seminars, and which are offered equally to all members of the public attending the event.

4.6 Acceptance of books, pamphlets, publications, and data and other information or reading materials that are directly useful to the PhilEXIM in the performance of its mandates, objectives and which books and other materials are given by individuals or organization that have no pending business with PhilEXIM as to create an actual or potential conflict of interest.

4.7 A gift from a member of his family or relative on the occasion of a family celebration, and without any expectation of pecuniary gain or benefits.

“Family of public officials and employees means their spouses and unmarried children under eighteen (18) years of age. Relative refers to any person related to the official or employee within the fourth civil degree of consanguinity or affinity, including “bilas, inso or balae.”

4.8 Acceptance by PhilEXIM officials and employees of scholarship or fellowship grant, travel grants, or expense for travel taking place within or outside of the Philippines (such as allowances, transportation, food and lodging) of more than nominal value, if such acceptance is appropriate and consistent with the interests of the Government, and permitted by the President and CEO (by virtue of his authority delegated by the Chairperson) of PhilEXIM.

4.9 Acceptance or availment by PhilEXIM of grants from local or foreign institutions in the pursuit of the mandates, projects and activities, such as those coming from ADB, World Bank, UN, USAID, etc., provided that the availment thereof shall be strictly in compliance with the applicable procurement laws, rules and regulations.

4.10 Donation or grants coming from government entities or private organizations, whether local or foreign, which are considered and accepted as humanitarian and altruistic in purpose and mission.

5. REQUIREMENT TO INFORM

The PhilEXIM officials and employees are required to formally inform any individual or organization with any actual or potential business with PhilEXIM of this “NO GIFT POLICY”, the reasons the PhilEXIM has adopted this Policy, and request that such individual or organization respect such Policy.

All contracts entered into by PhilEXIM shall incorporate a provision adopting this Policy.

6. RETURN AND ACKNOWLEDGMENT OF GIFT

6.1 If a PhilEXIM official or employee receives a gift covered by this policy:

- i. If possible, the gift shall be immediately and politely declined. The official or employee shall formally report to the Office of the President and CEO within two (2) days from the incident the fact of

the gift-giving attempt and/or the gift immediately and politely declined.

- ii. If not possible, or it is inappropriate or impractical, to return the gift, e.g. a perishable item, the gift shall be forwarded to the Office of the President and CEO, listed in a gift registry maintained by the Office of the President and CEO, and donated to an appropriate charitable institution or social welfare institution in which case, the latter's acknowledgment or delivery receipt is considered sufficient proof. An acknowledgment letter shall be sent to the donor informing them of the "NO GIFT POLICY" and that gift has been returned or donated to an appropriate charitable or social welfare institution (with attached acknowledgment or delivery receipt from the recipient institution or beneficiary).

7. WRITTEN EXEMPTION

Any other exception to this "NO GIFT POLICY" may be made only with the written permission of the President and CEO of PhilEXIM.

8. MONITORING

The Office of the President and CEO and the Corporate Governance Office shall ensure information dissemination and monitoring of the implementation of this Policy. A report on the gift registry, gifts received and donated or no gift has been received shall be included in the Quarterly Compliance/Corporate Governance Report.

9. POSTING OF THE NO GIFT POLICY

This Policy shall be posted in the PhilEXIM website, in conspicuous areas of all the offices of PhilEXIM.

10. PENALTY

Any violation of this Policy is subject to administrative sanction under Civil Service Laws and Rules and other applicable, laws, rules and regulations. This Policy is considered a supplement to laws, rules and regulations pertaining to solicitation and acceptance of gifts.

11. EFFECTIVITY

This Policy shall take effect upon its approval by the Board of Directors.