



Republic of the Philippines
National Electrification Administration

February 14, 2006

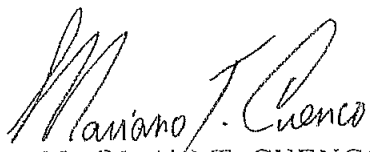
MEMORANDUM

TO : ALL OFFICIALS AND EMPLOYEES
SUBJECT : NEA Code of Ethics

In line with R.A. 6713 (Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees) and Omnibus Rules Implementing Book V of EO 292 and Other Pertinent Civil Service Laws, the NEA Code of Ethics is hereby issued.

The Code reflects the corporate culture and commitment of the agency and its human resources in maintaining the standards expected from civil servants and in the manner of addressing the concerns of the public in general and the electric cooperatives, in particular. Likewise, it covers the measures, which can be undertaken when such expectations are not met or complied with.

For information/guidance.


MARIANO T. CUENCO
Deputy Administrator
and Corporate Resources
Financial Services



Republic of the Philippines
NATIONAL ELECTRIFICATION ADMINISTRATION
 Quezon City

29 November 2005

MEMORANDUM FOR THE ADMINISTRATOR

SUBJECT : NEA CODE OF ETHICS

The NEA CODE OF ETHICS is proposed to reinforce the positive corporate culture of NEA and shall form part of this agency's human resource systems.

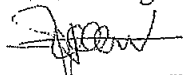
This Code was formulated and patterned after R.A. 6713 (Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees) and Omnibus Rules Implementing Book V of EO 292 and Other Pertinent Civil Service Laws.


Highlights of this particular Code are the following:

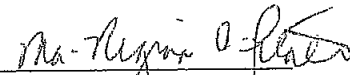
1. Incorporation of NEA's core values;
2. Inclusion of the development and communication of service guides for clients and stakeholders; and
3. Records tracking to promote and facilitate immediate response to the general public.


The major contents of this Code which have been directly lifted from RA 6713, however, are already existing.


Considering the necessity of documenting rules and procedures implemented by this Office, we are submitting this Code for pilot run to commence in January 2006.

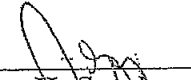

 Diosdado M. Ilagan
 President- UNA

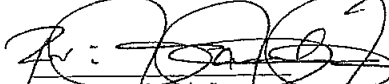

 Zolfo C. Soterana
 President- JOYS

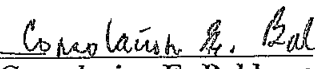

 Ma. Regina C. Filoteo
 President- SUPER-N

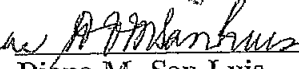

 Jose Vicente P. Malaya
 President - SCAN


 Diosdado A. Corsiga
 President - MAN

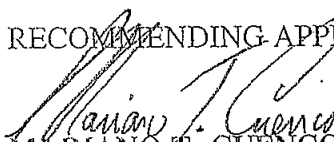

 Jose H. Seguban, Jr.
 President - MANCOM


 Xerxes D. Adzuara
 Legal Representative

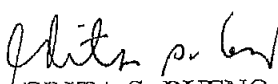

 Consolacion E. Balderas
 Director - IAQSMO


 Diana M. San Luis
 Director - HRAD

RECOMMENDING APPROVAL:


 MARIANO T. CUENCO
 Deputy Administrator
 for Corporate Resources
 and Financial Services

APPROVED:


 EDITA S. BUENO
 Administrator

NATIONAL ELECTRIFICATION
 ADMINISTRATION

IN REPLYING, P.L.S., REFER TO: #OR007863



NEA-09007863

12/03/05

CODE OF ETHICS

I. POLICY

Pursuant to the provisions of Section 12 of RA No. 6713, otherwise known as the "Code of Conduct and Ethical Standard for Public Officials and Employees", it shall be the policy of the NEA to promote a high standard of ethics in public service. Officials 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.

II. OBJECTIVES

The Code is issued to enable the organization to:

1. Maintain high ethical standards in the performance of its employees' respective duties and responsibilities;
2. Promote and increase level of confidence among its primary clients (electric cooperatives) and other stakeholders with regard to their delivery of the agency's services;
3. Have a guide or benchmark for decision-making particularly on human resource concerns;
4. Inspire management to mutually uphold its commitment to employees and vice-versa; and
5. Highlight and showcase NEA's corporate culture and values.

III. DEFINITION OF TERMS

1. Value development - the process of cultivating the growth of an employee through progressive changes that would unfold concern for the commitment to public service over personal interest.
2. Service guide - provides information to guide the transacting public in understanding the functions of every department/office.
3. Code - set of rules for accepted behavior set up by an agency with punitive powers against non-conforming members.

IV. REFORMS ON PUBLIC ADMINISTRATIVE SYSTEMS

As a public office, the NEA shall continuously conduct the following:

- 1. Value development programs to strengthen the commitment of its officials and employees to public service and help promote the primacy of public interest over personal interest.*
- 2. Studies and analyses of the Agency's work systems and procedures to improve delivery of public services.*

A service guide or its functional equivalent shall be developed and which shall be regularly updated and made available to the transacting public. A workflow chart shall be posted in conspicuous places for information and guidance of all concerned.

- 3. Research and experimentation on measures and adoption of innovative programs to motivate the officials and employees in raising the level of observance of public service ethical standards.*

V. TRANSPARENCY OF TRANSACTIONS AND ACCESS TO INFORMATION

- 1. NEA officials and employees shall adopt transparency of and openness in public transactions, such as biddings, purchases, other financial transactions including contracts, status of projects and all other matters involving public interest.*

An information system shall be established to make known to the public, (a) policies, rules and procedures; (b) work programs, projects and performance targets; (c) performance reports; and (d) all other documents as may, hereafter, be classified as public information.

- 2. Except those that shall pass through the Records Unit, every department/office shall provide official information, records or documents to any requesting public, except if:*
 - a) Such disclosure would put the life and safety of an individual in imminent danger.*

- b) *The information, record or document sought falls within the concepts of establishing privilege or recognized exceptions as may be provided by law or settled policy or jurisprudence.*
 - c) *Such information, record or document comprises drafts of decisions, orders, ruling, policy decisions, memoranda, etc., which are confidential in nature until such paper is not officially released by the issuing department/office.*
 - d) *It would disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy.*
 - e) *It would disclose investigatory records compiled for law enforcement purposes, or information which if written would be contained in such records, but only to the extent that the production of such records or information would (i) interfere with enforcement proceedings, (ii) deprive a person or a right to a fair trial or impartial adjudication, (iii) disclose the identity of a confidential information furnished only by the confidential source, or (iv) unjustifiably disclose investigative techniques and procedures.*
 - f) *It would disclose information the premature disclosure of which would be likely, or significantly to frustrate implementation of a proposed official action.*
3. *NEA shall effect the widest possible dissemination of information regarding provisions and policies relative to the program, particularly to its primary clientele, the electric cooperatives.*

VI. NORMS OF CONDUCT OF NEA OFFICIALS AND EMPLOYEES

At all times, the Agency and the human resource shall exemplify and operate on the core values of absolute honesty, maximum efficiency and total solidarity. As such, they are expected to conduct themselves in a manner reflective of the following behaviors:

1. **Commitment to Public Interest** - To uphold the public interest over personal interest. All government resources and powers must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage in public funds and revenues.
2. **Professionalism** - To perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill. They shall serve with utmost devotion and dedication to duty. They shall endeavor to discourage wrong perceptions of their roles as dispensers or peddlers of undue patronage.
3. **Justness and Sincerity** - To remain true to the people at all times. They must act with justness and sincerity and shall not discriminate against anyone, especially the poor and underprivileged. 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, whether by consanguinity or affinity, except with respect to appointments of such relatives to positions considered strictly confidential or as members of their personal staff whose terms are coterminous with theirs.
4. **Political Neutrality** - To provide service to everyone without unfair discrimination regardless of party affiliation or preference.
5. **Responsiveness to the Public** - To extend prompt, courteous and adequate service to the public. Unless otherwise provided by law or when required by the public interest, officials and employees shall provide information on their policies and procedures in clear and understandable language, ensure openness of information, public consultations and hearings whenever appropriate, encourage suggestions, simplify and systematize policy, rules and procedures, avoid red tape and develop an understanding and appreciation of the socio-economic conditions prevailing in the country especially in the depressed rural areas.

6. **Nationalism and Patriotism** - To be loyal to the Republic and 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 and defend Philippine sovereignty against foreign intrusion.
7. **Commitment to Democracy** - To commit themselves to the democratic way of life and values, maintain the principles 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 and party.
8. **Simple Living** - To lead modest lives appropriate to their positions and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.

Basically, modest and simple living means maintaining a standard of living within the public official or employee's visible means of income as correctly disclosed in his income tax returns, annual statement of assets, liabilities and net worth, and other documents relating to financial and business interests and connections.

VII. DUTIES

In transacting with the public, the following actions shall be observed:

1. As a general rule, when a request or petition, whether written or verbal, can be disposed of promptly and expeditiously, the official or employee in charge to whom the same is presented shall do so immediately, without discrimination, and in no case beyond 15 working days from receipt of the request or petition.
2. In case of written requests, petitions or motions sent by means of letters, telegrams or the like, the official or employee in charge shall act on the same within 15 working days from his receipt thereof, provided that:

- a) *If the communication is within the jurisdiction of the agency, the official or employee must:*
- (1) *Write a note or letter of acknowledgement where the matter is merely routine or the action desired may be acted upon in the ordinary course of business of the agency, specifying the date when the matter will be disposed of and the name of the official or employee in charge thereof.*
 - (2) *Where the matter is non-routine or the issues involved are not simple or ordinary, write a note or letter of acknowledgment, informing the interested party, petitioner or correspondent of the action to be taken or when such requests, petitions or motions can be acted upon.*
- (b) *If communication is outside its jurisdiction, the official or employee must:*
- (1) *Refer the letter, petition or verbal request to the proper department, office or agency.*
 - (2) *Acknowledge the communication by means of a note or letter, informing the interested party, petitioner or correspondent of the action taken and attaching a copy of the letter of referral to the proper department, office or agency.*

The period of 15 working days herein provided shall be counted from date of receipt of the written or verbal communication by the department, office or agency concerned.

VIII. PUBLIC DISCLOSURE

1. *Every official and employee shall file under oath their statement of assets, liabilities and net worth (SAL), and a disclosure of business interests and financial connections including those of their spouses and unmarried children under 18 years of age living in their households, in the prescribed form available at the Human Resources Management Division (HRMD).*

a) *Contents of the Statement*

- 1) *Real property, its improvements, acquisition costs, assessed value and current fair market value.*
- 2) *Personal property and acquisition cost.*
- 3) *All other assets such as investments, cash on hand or in banks, stocks, bonds and the like.*
- 4) *All financial liabilities, both current and long-term.*

b) *When and where to file*

- 1) *Within 30 days after assumption of office, statements of which must be reckoned as of his first day of service.*
- 2) *On or before 31 March of every year thereafter, statements of which must be reckoned as of the end of the preceding year.*
- 3) *Within 30 days after separation from the service, statements of which must be reckoned as of his last day of office.*
- 4) *Married couples who are both public officials or employees may file the required statements jointly or separately.*
- 5) *All statements shall be filed with and submitted to the HRMD which will make a summary of all SALs for submission to the Office of the Ombudsman and the Civil Service Commission.*

IX. CONFLICT OF INTEREST AND DIVESTMENT

A NEA official or employee is appointed to a government office and shall therefore observe the following:

1. *An official or employee shall avoid conflict of interest at all times.*

Conflict of interest occurs:

- 1) *When the official or employee is:*
 - a) *a substantial stockholder; or*
 - b) *a member of the Board of Directors; or*
 - c) *an officer of the corporation; or*
 - d) *an owner or has substantial interest in a business; or*
 - e) *a partner in a partnership; and*
 - 2) *The interest of such corporation or business, or his rights or duties therein, are opposed to or affected by the faithful performance of official duty.*
2. *When a conflict of interest arises, the official or employee involved shall resign from one's position in any private business enterprise within 30 days from one's assumption of office and/or divest oneself of one's shareholdings or interests within 60 days from such assumption. For those who are already in the service, and conflict of interest arises, the officer or employee must resign from the position in the private business enterprises and/or divest of ones's shareholdings or interests within the periods herein-above provided, reckoned from the date when the conflict of interest had arisen. The same rule shall apply where the public official or employee is a partner in a partnership.*

X. DISCIPLINE

Guided by Civil Service Laws and pertinent rules and regulations, officers and employees should be aware of the following measures:

1. *No officer or employee shall be removed or suspended except for cause as provided by law and after due process.*
2. *The disciplining authority may impose the penalty of removal/dismissal from the service, with or without prejudice to benefits, demotion in rank, suspension of not more than one year without pay, fine in an amount not exceeding six months' salary, transfer or reprimand.*

3. The penalty of dismissal shall carry with it cancellation of eligibility forfeiture of leave credits and retirement benefits, and the disqualification for reemployment in the government service. Further, it may be imposed without prejudice to criminal or civil liability.
4. The penalty of forced resignation shall carry with it disqualification for employment in the government service for at least one year. However, it may or may not contain conditions relative to the forfeiture of leave credits and retirement benefits, and the disqualification regarding reemployment in a specific class of position.
5. The penalty of transfer shall carry with it disqualification for promotion for a period of six months from the date respondent reports to the new position.
6. The penalty of suspension shall carry with it disqualification for promotion corresponding to the period of suspension.
7. The penalty of demotion shall carry with it disqualification for promotion for a period of six months.
8. The penalty of fine shall carry with it disqualification for promotion for a period twice the number of days he was fined.
9. A reprimand shall be considered a penalty. However, a warning or an admonition shall not be considered a penalty.

XI. ADMINISTRATIVE OFFENSES WITH CORRESPONDING PENALTIES

Offenses are classified into grave, less grave and light. The penalties included herein are in conformance with the Omnibus Civil Service laws and are subject to due process:

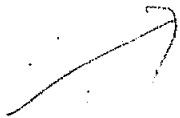
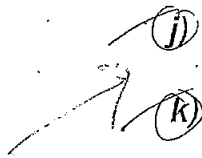
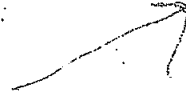
1. The following are grave offenses with corresponding penalties:

1st Offense - Dismissal

- a) Dishonesty
- b) Gross neglect of duty

- c) Grave misconduct
- d) Being notoriously undesirable
- e) Conviction of a crime involving moral turpitude
- f) Falsification of official document
- g) Physical or mental incapacity or disability due to vicious habits
- h) Engaging directly or indirectly in partisan political activities by one holding non-political office
- i) Receiving for personal use a fee, gift or other valuable thing in the course of official duties or in connection therewith when such fee, gift or other valuable thing is given by any person in the hope of expectation of receiving a favor or better treatment than that accorded to other persons or committing acts punishable under the anti-graft laws.
- j) Contracting of money or other property from persons with whom the office of the employee has business relations.
- k) Soliciting or accepting directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value which in the course of his official duties or in connection with any operations being regulated by, or any transaction which may be affected by the functions of his office. The propriety or impropriety of the foregoing shall be determined by its value, kinship, or relationship between giver and receiver and the motivation. A thing of monetary value is one which is evidently and manifestly excessive by its very nature.
- l) Disloyalty to the Republic of the Philippines and to the Filipino People
- m) Nepotism

no official or employee shall



1st Offense - Suspension for six (6) months and one (1) day to one (1) year
2nd Offense - Dismissal

- n) Oppression
- o) Disgraceful and immoral conduct
- p) Inefficiency and incompetence in the performance of official duties
- q) Frequent unauthorized absences, loafing or frequent unauthorized absences from duty during regular office hours

- r) Refusal to perform official duty
- s) Gross Insubordination
- t) Conduct grossly prejudicial to the best interest of the service
- u) Directly or indirectly having financial and material interest in any transaction requiring the approval of his office. Financial and material interest is defined as pecuniary interest by which a person will gain or lose something.
- v) Owning, controlling, managing or accepting employment as officer, employee, consultant, counsel, broker, agent, trustee, or nominee in any private enterprise regulated, supervised or licensed by his office, unless expressly allowed by law.
- w) Engaging in the private practice of one's profession unless authorized by NEA or allowed by the Constitution, law or regulation of the CSC, provided that such practice of profession will not directly conflict with his/her official functions.
- x) Disclosing or misusing confidential or classified information officially known to him by reason of his office and not made available to the public, to further his private interests or give undue advantage to anyone or to prejudice the public interest.

The following are less grave offenses with their corresponding penalties:

1st Offense - Suspension for one (1) month and one (1) day to six (6) months

2nd Offense - Dismissal

- a) Simple Neglect of duty
- b) Simple misconduct
- c) Gross Discourtesy in the Course of Official Duties
- d) Gross Violation of Existing Civil Service Law and Rules of Serious Nature
- e) Insubordination
- f) Habitual Drunkenness

- g) Recommending any person to any position in a private enterprise which has a regular or pending official transaction with his office, unless such recommendation or referral is mandated by 1) law, or 2) international agreements, commitment and obligation, or as a part of the function of his office
- h) Unfair Discrimination in Rendering Public Service Due to Party Affiliation or Preference
- i) Failure to File Sworn Statements of Assets, Liabilities, and Networth, and Disclosure of Business Interest and Financial Connections including those of their spouses and unmarried children under eighteen (18) years of age living in their households.
- j) Failure to resign from his position in the private business enterprise within thirty (30) days from assumption of public office when conflict of interest arises and/or failure to divest himself of his shareholdings or interest in private business enterprise within sixty (60) days from assumption of public office when conflict of interest arises: Provided however, that where a conflict of interest arises for those who are already in the service, the official or employee must either resign or divest himself of said interest within the periods herein-above provided, reckoned from the date when the conflict of interest had arisen.

The following are light offenses with their corresponding penalties:

1st Offense - Reprimand

2nd Offense - Suspension for one (1) to thirty (30) days

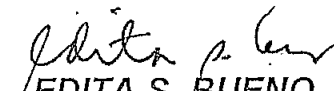
3rd Offense - Dismissal

- a) Discourtesy in the Course of Official Duties
- b) Gambling prohibited by law
- c) Refusal to render overtime services
- d) Disgraceful, immoral or dishonest conduct prior to entering the service
- e) Borrowing money by superior officers from subordinates
- f) Lending money at usurious rates of interest
- g) Willful failure to pay just debts
- h) Willful failure to pay taxes due to the government

- i) Pursuit of private business, vocation or profession without the permission required by civil service rules and regulations
- j) Lobbying for personal interest or gain in legislative halls and offices without authority
- k) Promoting the sale of tickets in behalf of private enterprises that are not intended for charitable or public welfare purposes and even in the latter cases if there is no prior authority.
- l) Failure to act promptly on letters and requests within fifteen (15) days from receipt, except as otherwise provided in the rules implementing the code of conduct and ethical standards for public officials and employees.
- m) Failure to process documents and complete action on documents and papers within a reasonable time from preparation thereof, except as otherwise provided in the rules implementing the Code of Conduct and Ethical Standards for Public Officials and Employees
- n) Failure to attend to anyone who wants to avail himself of the services of the office, or act promptly and expeditiously on public transactions

XII EFFECTIVITY

This Code of Ethics shall become effective fifteen (15) days after its publication.


EDITA S. BUENO
Administrator