

[**ADMINISTRATIVE ORDER NO. 1, July 14, 1992**]

REQUIRING ALL MEMBERS OF THE CABINET, THE UNDERSECRETARIES AND ASSISTANT SECRETARIES TO RESIGN FROM ALL PRIVATE OFFICES AND EMPLOYMENT AND TO DIVEST THEIR SHAREHOLDINGS OR INTEREST IN PRIVATE CORPORATIONS OR BUSINESSES IN CASE OF CONFLICT OF INTEREST IN THE CONDUCT OF THEIR OFFICE

WHEREAS, the Constitution expressly prohibits members of the Cabinet, their deputies and assistants (the "Cabinet Officials") from holding, unless otherwise provided in the Constitution, any other office or employment in the government or in the private sector;

WHEREAS, the Constitution mandates that Cabinet Officials shall strictly avoid conflict of interest in the conduct of their office;

WHEREAS, R.A. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials And Employees, requires all public officials to divest their shareholdings or interest in any particular corporation or business in case a conflict of interest, as defined therein, arises;

WHEREAS, as public servants, all Cabinet Officials must conduct themselves with utmost honesty and integrity;

NOW, THEREFORE, I, **FIDEL V. RAMOS**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. **Resignation from Private Offices.** All Cabinet Officials who are directors, officers, managers, partners, employees or consultants of private corporations, partnerships, or other business enterprises, must resign their position as director, officer, manager, partner, employee or consultant immediately upon, but in no case later than thirty (30) days from assuming public office. This requirement applies whether or not a conflict of interest exists between the Cabinet Officials' duties and their interests in such private corporations, partnerships or other business enterprises.

Section 2. **Divestment.** All Cabinet Officials who own, directly, or indirectly substantial shareholdings sufficient to elect at least one director in any private corporation, or who may directly or indirectly own any interest in any business enterprise, must divest their shareholdings or interest in said corporation or business enterprise not later than sixty (60) days from the time a conflict of interest arises, or when it becomes reasonably apparent that their rights and duties as stockholders or owners are opposed to or may affect the faithful performance of their official duties.

Section 3. **Transfer of Title.** Divestment made in compliance with Section 2 must result in the complete and actual transfer of title and beneficial ownership over the