

[EXECUTIVE ORDER NO. 181, May 15, 2015]

**IMPLEMENTATION OF THE PROVISIONS OF THE FY 2015
GENERAL APPROPRIATIONS ACT (GAA) ON THE GRANT OF THE
FY 2015 PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI) TO
GOVERNMENT EMPLOYEES**

WHEREAS, Item (4)(a)(iv) of the Senate and House of Representatives Joint Resolution (JR) No. 4 (s. 2009) includes *Incentives* as a component of the Total Compensation Framework for government personnel. Item (4)(h)(ii) thereof also provides for the grant of *Incentives* as rewards for exceeding agency financial and operational performance targets, and to motivate employee efforts toward higher productivity;

WHEREAS, Section 1(a) of Executive Order No. 80 (s. 2012) stipulates the grant of the Productivity Enhancement Incentive (PEI) as a component of the Performance-Based Incentive System, at P 5,000 across the board; and

WHEREAS, under Item 3 of the Special Provisions on the Miscellaneous Personnel Benefits Fund (MPBF) of Republic Act (RA) No. 10651, entitled "An Act Appropriating Funds for the Operation of the Government of the Republic of the Philippines from January One to December Thirty-One, Two Thousand and Fifteen, and for Other Purposes," the amount of Thirty Billion Six Hundred Forty Seven Million Four Hundred Sixty Four Thousand Pesos (P30,647,464,000.00) has been appropriated for the grant of the PEI to employees of the National Government, including State Universities and Colleges (SUCs), subject to the guidelines to be issued by the President.

NOW, THEREFORE, I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by the Constitution and applicable laws, do hereby order.

SECTION 1. The One-Time Grant of the FY 2015 PEI Equivalent to One Month Basic Salary. The PEI for FY 2015, equivalent to either P5,000 or one month basic salary as of May 31, 2015, is authorized to be granted by agencies, which meet the conditions stipulated in this Order, to their respective qualified personnel:

- a. National Government Agencies (NGAs) including SUCs;
- b. The Congress of the Philippines, Judiciary, Civil Service Commission (CSC), Commission on Audit (GOA), Commission on Election (COMELEC), and the Office of the Ombudsman (OMB), subject to Section 8 hereof;
- c. Government-Owned or Controlled Corporations (GOCCs), including Local Water Districts (LWDs), and Government Financial Institutions (GFIs); and
- d. Local Government Units (LGUs).

SEC. 2. Personnel Covered. This Order shall apply to the following government personnel:

a. Civilian personnel occupying regular, contractual, or casual positions, whether appointive or elective, on full-time or part-time basis, provided they have employer-employee relationship with the agencies concerned and whose compensation are charged against Personnel Services appropriations; and

b. Military Personnel of the Armed Forces of the Philippines, Department of National Defense; and uniformed personnel of the Philippine National Police, Bureau of Fire Protection, and Bureau of Jail Management and Penology under the Department of the Interior and Local Government (DILG); the Philippine Coast Guard; and the National Mapping and Resource Information Authority.

SEC. 3. Exclusions. The following individuals hired by the government without employer-employee relationship and paid from non-Personnel Services appropriations are excluded from the coverage of this Order. Said individuals may include, but not be limited to, the following:

a. Consultants and experts hired to perform specific activities or services with expected outputs;

b. Laborers hired through job contracts (*pakyaw*) and those paid on piecework basis;

c. Student laborer and apprentices; and

d. Individuals and groups whose services are engaged through job orders, contracts of services, or others similarly situated.

SEC. 4. Conditions to be Met by Agencies Before They Could Grant the One-Time PEI at One Month Basic Salary. The PEI for FY 2015 equivalent to one month basic salary is authorized to be granted only by agencies that comply with the following conditions:

a. For NGAs including SUCs, and GOCCs not covered by RA No. 10149 (GOCCs Governance Act of 2011):

a.1 Achievement of at least 90% of the FY 2014 targets under at least two (2) performance indicators (quantity, quality, or timeliness) for at least one (1) Major Final Output (MFO) under Operations”;

a.2 Compliance with the posting of the Transparency Seal as required under Section 91, General Provisions of the FY 2014 General Appropriations Act R.A. No. 10633); and

a.3 Compliance with the posting or publication of the Citizen’s Charter or its equivalent as required under the Anti-Red Tape Ad of 2007 (R.A. No. 9485).

b. For GOCCs covered under RA No. 10149:

b.1 Achievement of at least 90% of the FY 2014 targets under at least two (2) performance indicators (quantity, quality, or timeless) for at least one (1) Major Final Output (MFO) under “Operations” or the targets under the Performance Scorecard as agreed upon between the Governance Commission for GOCCs (GCG)