

[EXECUTIVE ORDER NO. 518, May 29, 1992]

AMENDING CERTAIN PROVISIONS OF EXECUTIVE ORDER NO. 486 DATED 8 NOVEMBER 1991 ESTABLISHING A PERFORMANCE-BASED INCENTIVE SYSTEM FOR GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS AND FOR OTHER PURPOSES

Recognizing the need to amend certain provisions of Executive Order No. 486 dated 8 November 1991, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Subsection (a), Section 4 of Executive Order No. 486 is hereby amended to read, as follows:

"(a) *Presidential Citations*. - These shall be awarded to GOCCs for their outstanding performance vis-a-vis the pre-agreed criteria."

SEC. 2. Subsection (b), Section 4 is hereby deleted and the first two (2) paragraphs of subsection (c), renumbered as subsection (b), are hereby amended to read, as follows:

"b. *Corporate Incentive Awards*. - Depending on the degree of performance, GOCCs shall be authorized to allocate an amount equivalent to a percentage of the total annual budget for Personnel Expenses as Cash Incentive Fund. The percentages authorized for each GOCC shall be as follows:

GOCC Performance Grade	Maximum Cash Incentive Fund
A (Outstanding)	20 percent
B (Very Satisfactory)	15 percent
C (Satisfactory)	10 percent
D (Fair)	None
E (Poor)	None

The above incentive fund shall be the source for rewards, either in kind or in cash bonuses, to be granted by GOCCs only to deserving officers and employees based on an evaluation of their individual performance and relative contribution to the attainment of the corporation's goals and targets. The maximum allowable amount of incentive bonus for a GOCC officer or employee shall vary according to the performance grade of the GOCC and of his department or division or unit, and to his individual performance but shall in no case exceed three (3) months' basic salary or its equivalent."

3. Section 5 is hereby amended to read, as follows: