

**[ GSIS RESOLUTION NO. 118, October 24, 2013 ]**

**POLICY AND PROCEDURAL GUIDELINES ON THE GSIS "NO GIFT POLICY"**

WHEREAS, 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";

WHEREAS, 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 strict implementation within the organization;

WHEREAS, the Board consistently emphasized propriety and transparency by issuing Resolution No. 50-2013 which aptly provides that "All GSIS officials and employees must conduct themselves properly at all times in order to avoid conflict of interest, ensuring that official acts are proper and aboveboard x x x";

WHEREAS, the System's corporate governance statement provides that "the GSIS shall be a transparent, independent, accountable and professional institution that is beyond public reproach";

WHEREAS, the adoption of a "No Gift Policy" will integrate the foregoing values and principles and provide GSIS personnel with guidelines on the manner by which they deal with individual clients and entities in the workplace;

RESOLVED, to **APPROVE** and **CONFIRM** the Policy and Procedural Guidelines (PPG) on the GSIS "No Gift Policy" as proposed by the Senior Vice President, Corporate Services Group and Corporate Planning Office, in her Memorandum dated 21 October 2013;

A copy of the proposed PPG on the GSIS "No Gift Policy" is made an integral part of this Resolution.

*Attachment:*

**Policy and Procedural Guidelines No. 247-13**

**GSIS "NO GIFT" POLICY**

**I. BACKGROUND/RATIONALE**

The principle of "Public office is a public trust," as enshrined in Section 1, Article XI of the 1987 Philippine Constitution, is the standard by which government service is measured. Section 2 of the Code of Conduct and Ethical Standards for Public Officials and Employees (RA 6713) further expounds on this principle by providing that public officials and employees shall at all times be accountable to the people by serving them with responsibility, integrity and efficiency while at the same time

leading and living modest lives. This principle serves as the bar that defines public service and the demeanor of public servants.

Various laws and administrative issuances are replete with the expected standards that all public servants must live up to.

Instructively, 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".

Section 1 of the Anti-Graft and Corrupt Practices Act (RA 3019) provides 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 persons alike which constitute graft or corrupt practices or which may lead thereto."*

Conflict of interest and personal gain affect the faithful performance of one's official duty and run contrary to a public servant's commitment to public interest. Public officials and employees shall always uphold the public interest over and above personal interest.<sup>[1]</sup>

Section 29 of the Code of Corporate Governance for Government Owned or Controlled Corporations (GCG MC No. 2012-07) mandates that:

*"Every Governing Board shall formally adopt a "No Gift" Policy within the GOCC and ensure its full advertisement to the community and its strict implementation by particular set of rules."*

The GSIS Board of Trustees (BOT) has consistently emphasized propriety and transparency in the conduct of its operations and has issued Resolution No. 50 on 23 May 2013 which provides that:

*"All GSIS officials and employees must conduct themselves properly at all times in order to avoid conflict of interest, ensuring that official acts are proper and aboveboard x x x."*

This was further enshrined in the System's corporate governance statement which provides that:

*"The GSIS shall be a transparent, independent, accountable and professional institution that is beyond public reproach."<sup>[2]</sup>*

The adoption by the GSIS of a "No Gift" Policy further exemplifies the System's conscious and determined thrust to institutionalize and implement all of the above ethical standards and good governance principles.

For the GSIS, the stewardship of the government employees' insurance funds demands no less. It is thus imperative for the GSIS to adopt a policy that will promote a high standard of ethics and, at the same time, strengthen the trust reposed in the institution by its stakeholders and the public.

## **II. DEFINITION OF TERMS**

The following terms shall be defined as: