

**[CIRCULAR LETTER NO. 2002-3, JANUARY 2,
2002, January 02, 2002]**

**ADDITIONAL GUIDELINES ON THE GRANT OF PRODUCTIVITY
INCENTIVE BENEFIT (PIB)**

1. Administrative Order No. 161 dated December 6, 1994 authorizes the grant of PIB effective CY 1995 to all appointive officials and employees of government agencies including GOCCs and LGUs.

2. As contemplated, PIB is a financial reward given to government personnel for acceptable or exemplary performance, which contributed to the attainment of agency targets and goals as evaluated and determined by the head of agency. Performance includes conduct and behavior in the discharge of the duties of a public office.

3. Administrative offense is a breach of official duties and conduct. Offenders have done acts inimical to public service or in violation of the law. As such a person guilty of administrative offense should not be entitled to PIB or any performance or productivity reward. In line therewith, the following are not entitled to PIB:

3.1 Those who were suspended either preventively or as a penalty as a result of an administrative charge within the year for which PIB is paid, regardless of the duration;

3.2 Those who were dismissed within the year; and

3.3 Those who are absent without official leave (AWOL).

4. Personnel who were preventively suspended but later exonerated of the charges filed against them, and those who are charged and found guilty of administrative offense but the penalty meted out is only a reprimand, shall be entitled to PIB, provided they:

4.1 Have at least a satisfactory rating for the two (2) semesters immediately preceding the year in which the PIB will be paid; and

4.2 Have contributed to the productivity of the office/agency as determined by the head of the agency.

5. The above rules shall be in addition to the rules and regulations under National Compensation Circular No. 73 dated December 27, 1994 as supplemented by 73-A dated March 1, 1995, Circular Letters No. 3-96 and 2001-6.

6. This Circular takes effect immediately, provided that agencies which have not yet