

THIRTEENTH CONGRESS OF THE)
Republic of the Philippines)
First Regular Session)

SENATE
OFFICE OF THE SECRETARY

'04 JUN 30 P1:28

SENATE

S.B. No. 133

RECEIVED BY: *[Signature]*

Introduced by SENATOR LUISA "LOI" P. EJERCITO ESTRADA

EXPLANATORY NOTE

It is the avowed principle of Republic Act No. 6713 that the State shall promote a high standard of ethics in public service. Public officials and employees shall, at all times, be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest over personal interest (Section 2, R.A. No. 6713).

Pursuant to this policy, this bill seeks to expand the prohibited acts and transactions provided in Section 7(b) thereof, by providing for a specific provision exclusively applicable to members of the Cabinet. By virtue of the doctrine of qualified political agency, a member of the cabinet is considered as the alter ego of the President. As such, they acquire vital information not otherwise available to others. This fact makes them very attractive to foreign corporations, who are all too eager to retain them as their consultants after their stint with the government. Thus, in order to dispel any doubt that they take advantage of information derived by virtue of their Cabinet position, they should be prohibited from employment by foreign corporations doing business in the Philippines for a period of five (5) years.

By prohibiting their employment for a period of five (5) years, there is the assurance that there will be no transfer of privileged information acquired by the Cabinet member during his stint as public servant to his new employer. This is in consonance with the public servant's mandate that utmost loyalty is required of him, because to do otherwise is detrimental to national interest.

In view of the foregoing, approval of this bill is earnestly requested.

Luisa P. Ejercito Estrada
LUISA "LOI" P. EJERCITO ESTRADA
Senator

THIRTEENTH CONGRESS OF THE)
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SENATE

S.B. No. 103

RECEIVED BY: _____

Introduced by **SENATOR LUISA "LOI" P. EJERCITO ESTRADA**

AN ACT

AMENDING SECTION 7 (b) OF REPUBLIC ACT NO. 6713, OTHERWISE KNOWN AS THE CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, SO AS TO LENGTHEN THE PERIOD OF PROHIBITED EMPLOYMENT IN THE CASE OF MEMBERS OF THE CABINET

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

Section 1. Section 7, subparagraph (b) of Republic Act No. 6713 is hereby amended to read as follows:

Section 7. Prohibited Acts and Transactions. - In addition to acts and omission of public officials and employees now prescribed in the Constitution and existing laws, the following shall constitute prohibited acts and transactions of any public official and employee and are hereby declared to be unlawful:

(a) xxxxx

(b) Outside employment and other activities related thereto. Public officials and employees during their incumbency shall not:

(1) Own, control, manage or accept employment as officer, employee, consultant, counsel, broker, agent, trustee or nominee in any private enterprise regulated, supervised or licensed by their office unless expressly allowed by law;

(2) Engage in the private practice of their profession unless authorized by the

Constitution or law, *Provided*, That such practice will not conflict or tend to conflict with their official functions; or

- (3) Recommend any person to any position in a private enterprise, which has a regular, or pending official transaction with their office.

These prohibitions shall continue to apply for a period of one (1) year after resignation, retirement or separation from public office, except in the case of subparagraph (b) (2) above, but the professional concerned cannot practice his profession in connection with any matter before the office he used to be with, in which case the one-year prohibition shall likewise apply: *PROVIDED*, THAT IN THE CASE OF MEMBERS OF THE CABINET, THE PROHIBITION FOR EMPLOYMENT IN ANY PRIVATE ENTERPRISE SHALL INCLUDE EMPLOYMENT WITH FOREIGN CORPORATIONS DOING BUSINESS IN THE PHILIPPINES AND THE PROHIBITION SHALL BE FOR A PERIOD OF FIVE (5) YEARS FROM THE DATE OF RESIGNATION, RETIREMENT OR SEPARATION FROM SAID PUBLIC OFFICE: *PROVIDED*, FURTHER, THAT AS USED HEREIN, THE TERM EMPLOYMENT SHALL MEAN HIRING SUCH PERSON.

Sec. 2. Repealing Clause. - All laws, orders, rules and regulations which are inconsistent with or contrary to the provisions of this Act are hereby amended or repealed accordingly.

Sec. 3. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved,