

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

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S E N A T E

S. B. No. 1934

RECEIVED BY: _____

Introduced by SENATOR EDGARDO J. ANGARA

EXPLANATORY NOTE

Bureaucratic red tape is an anathema. It is exemplified by the increasing propensity of government agencies or offices to over-regulate, to unnecessarily lengthen the procedures for securing basic government services, and worse, to require "informal payments" or bribes, more commonly known as "lagays," as a condition to any action on an application or request submitted before it.

This well-founded perception of inertia of government agencies and offices has not only frustrated the delivery of vital government services to the public, it has also made potential investors hesitant about doing business in the country. In fact, a survey by the World Bank and the Asian Development Bank (ADB) concluded that foreign firms used 4% of their revenues as bribe money, 1.8% for local firms, and 3.8% for firms in special economic zones.

In response to this need to professionalize government service, and consequently, facilitate business transactions, this measure is proposed.

The bill seeks to require all agencies and offices that provide frontline services to regularly undergo evaluation and modernization of their transaction systems and procedures and to re-engineer the same if deemed necessary to cut red tape and expedite public service.

Specifically, it proposes an action time of fifteen (15) and thirty (30) working days to settle simple and complex transactions, respectively. It limits the signatories to only the officers and employees directly supervising the office where a particular transaction is being acted upon. Further, it seeks to penalize any public officer or employee who fails to act on an application or request for a privilege or a right, or for a modification, renewal or extension thereof.

It is hoped that the passage of this bill will ensure the efficient and effective delivery of government services by simplifying procedures as opposed to burdensome and complex regulations and requiring immediate action in the handling of government transactions and consequently, curb opportunities for graft and corruption.

That said, I urge my colleagues in the Chamber to pass this bill.


EDGARDO J. ANGARA
Senator

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

5 FEB 28 P1:05

S E N A T E

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**AN ACT TO PREVENT GRAFT AND CORRUPTION
BY PROVIDING MECHANISMS TO CUT BUREAUCRATIC RED TAPE
IN THE DELIVERY OF BASIC GOVERNMENT SERVICES .**

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the ***“Anti-Red Tape***
2 ***Act of 2005.”***

3
4
5 **SECTION 2. *Declaration of Policy.*** It shall be the policy of the State to
6 render prompt, efficient and honest service to the people and take positive measures
7 against graft and corruption.

8 Towards this end, all government offices and agencies providing frontline
9 services are hereby mandated to regularly undergo evaluation and modernization of
10 their transaction systems and procedures and to re-engineer the same, whenever
11 necessary, to cut bureaucratic red tape and to ensure the effective delivery of basic
12 services to the public.

13
14 **SECTION. 3. *Coverage.*** – This Act shall apply to all government offices and
15 agencies, including local government units (LGUs) and government-owned or
16 controlled corporation (GOCCs) with original charter, except those agencies and
17 offices that exercise judicial, quasi-judicial and legislative functions.

18
19 **SECTION 4. *Definition of Terms.*** – For purposes of this Act, the term –
20 a) ***“Simple Transactions”*** shall refer to requests or applications ordinarily and
21 regularly submitted by clients to a government office or agency which

- 1 provide frontline services and require resolution or action on only minor
2 issues from an officer or employee of said government agency or office;
- 3 b) **“Complex transactions”** shall refer to requests or applications submitted by
4 clients of a government office or agency which require resolution or action
5 on complex issues by an officer or employee of said government office;
- 6 c) **“Frontline Services,”** refers to matters involving clients and government
7 offices and agencies such as, but not limited to, applications for any
8 privilege, right, benefit, permit, award, license, concession, or for any
9 modification, renewal or extension thereof, or such other transactions or
10 activities which are acted upon in the ordinary course of business of the
11 agency or office concerned;
- 12 d) **“Action”** refers to the written approval or disapproval made by a government
13 office or agency on the request or application by a client for processing;
- 14 e) **“Action Time”** shall refer to the period of time within which simple and
15 complex transactions shall be acted upon. The prescribed action time for
16 each government agency shall, among others, be posted in the main
17 entrance of the office, or in two (2) of the most conspicuous places within
18 the premises of the government agency or office concerned;
- 19 f) **“Officer or Employee”** shall refer to a person employed in a government
20 agency or office required to perform specific duties and responsibilities
21 related to the application or request submitted by a client for processing;
- 22 g) **“Additional unnecessary requirements”** shall refer to documents which
23 contain information not directly material to the resolution of the issues
24 presented by the request or application submitted by the client;
- 25 h) **“Fixer”** is a person who is not officially involved in the operations of a
26 particular government agency but has access to people working therein and,
27 in collusion with them, facilitates speedy completion of transaction without
28 complying with the regular rules and procedures of said office in
29 consideration of pecuniary gain; and
- 30 i) **“Red Tape”** shall refer to any act or omission committed by a government
31 official or employee resulting on the delay or inaction on a paper, document,
32 application, request or transaction before any government agency, contrary
33 to the action time prescribed for the purpose.
- 34

35 **SECTION 5. Citizen’s Charter.** All government offices, departments, bureaus,
36 agencies and instrumentalities, including government owned or controlled

1 corporations (GOCCs), or local government units (LGUs) shall set up its *Citizen's*
2 *Charter*, either in the form of information billboards, which shall be posted at the
3 main entrance of the office or two (2) of the most conspicuous places within the
4 premises, or in the form of pamphlets, brochures, or published handbooks written
5 either in English, Filipino, or in the local dialect, that shall detail:

- 6 a) the step-by-step procedure to obtain a particular service;
- 7 b) the location of the officer or Office window, room or person / s responsible
8 for each step;
- 9 c) the necessary requirements to be presented by the client, including
10 documents and fees: *Provided, however*, All requirements of any privilege or
11 right must be reasonable and stated simply and clearly; *Provided, further*, All
12 printed official forms required to be submitted must specify which blanks or
13 spaces are mandatory, and hence, must be answered or filled up;
- 14 d) the procedure for filing complaints in case of violation of the provisions of
15 the Citizen's Charter.

16
17 **SECTION 6. *Function of the Head of Government Agencies and Offices***
18 ***Providing Frontline Services.*** The Head of the government agency or office shall be
19 responsible to the public in rendering prompt, efficient, and reliable service. Further,
20 they shall perform the following duties and functions:

- 21 a) Study and periodically review the existing system and procedures in their
22 respective offices for the purpose of further shortening the action time and /
23 or further simplifying the procedures for each particular transaction;
- 24 b) Study and periodically review the rules and regulations in the
25 implementations of this Act, and submit possible amendments and changes
26 thereto to the Civil Service Commission and the Office of the Ombudsman
27 pursuant to this Act;
- 28 c) Conduct a periodic review of all requirements, qualifications, terms and
29 conditions prescribed for every matter in their respective offices so as to do
30 away with unnecessary requirements and / or arbitrary terms and conditions;
- 31 h) Convene periodically to effectively discharge their functions and duties
32 relative to the effective implementation of this Act.

33
34 All transactions and processes are presumed to have been made with the
35 permission or clearance from the highest authority having jurisdiction over the
36 government office or agency concerned.

1 **SECTION. 7. Guidelines for Accessing Frontline Services.** The following
2 shall be adopted by all government agencies and offices:

3
4 a) *Acceptance of Applications and Requests*

5 1. If submitted in person

6 1.1 All officers or employees shall accept written applications,
7 requests, and / or documents being submitted by clients of the
8 agency or office;

9 1.2 The responsible officer or employee shall acknowledge receipt of
10 such application and / or request by writing or printing clearly
11 thereon his / her name, the unit where he / she is connected with,
12 the time and date of receipt, the action taken in the particular
13 office, and the office to which the papers have been forwarded,
14 and the receiving employee in said office, if applicable; and

15 1.3 The receiving officer or employee shall perform a preliminary
16 assessment of the request if possible to promote a more
17 expeditious action on requests.

18 2. If submitted via mail

19 2.1 All written communications requiring official action shall be
20 acknowledged thru a letter within three (3) working days from receipt
21 thereof, stating the action time applicable to that particular case, as
22 well as other requirements for its proper disposition.

23 In no case shall the absence of certain information in the application
24 and / or request or incomplete supporting documents be a valid ground for
25 an officer or employee to refuse acceptance of said application or request.

26
27 b) *Adoption of Working Schedule*

28 The Heads of agencies and offices which render frontline services
29 shall adopt appropriate working schedules to ensure that all clients who are
30 within their premises prior to the end of official working hours, during lunch
31 break and even after regular working hours are attended to.

32
33 c) *Action Time of Offices*

34 1. All requests and / or applications submitted shall be acted upon by the
35 assigned officer or employee during the period stated in the Citizens'
36 Charter which shall not be longer than fifteen (15) days in the case of

1 simple transactions and thirty (30) working days, in the case of complex
2 transactions;

- 3 2. Under extraordinary circumstances, the maximum action time prescribed
4 may be extended: *Provided, however,* That the agency or office
5 concerned shall notify the requesting party in writing of the reason/s for
6 the extension and the final date of release of the frontline service
7 requested;

8 In no case shall an application or request be given back to the
9 client without any appropriate action being taken.

- 10 3. In case an application or request is disapproved, the officer or employee
11 who rendered the decision shall send a formal notice to the client within
12 five (5) working days from receipt of the said request and / or application,
13 stating therein the reason for the disapproval including a list of the
14 specific requirements that the client failed to submit.

15
16 *d) Limitation of Signatories*

- 17 1. The number of signatories in any written application, request or
18 document submitted by the client of the office shall depend on the kind
19 of transaction to be acted upon by the assigned officer or employee;
20 2. The heads of agencies or offices shall determine and identify the number
21 of signatories necessary for any simple, complex, or frontline service
22 transaction;
23 3. As much as possible, the signatories shall be limited only to the officers
24 and employees directly supervising the specific unit therein which
25 appertain to such particular transaction.

26
27 *e) Denial of Application or Request*

28 Any denial of request or application for any privilege or right shall be
29 in writing, stating therein the name of the person making the denial and the
30 reason / s for such denial, citing the particular law, regulation, department or
31 administrative order of issuance relied upon.

32
33 **SECTION 8. Automatic Renewal of Permits and Licenses.** When a particular
34 government agency or office fails to act on an application and / or request for
35 renewal or extension of any privilege or right within the prescribed action time, the
36 holder of such privilege or right shall continue to operate his / her business under

1 the same terms and conditions as are in the expired privilege or right until the
2 authorized officer or employee shall have rendered a decision or resolution on the
3 application for renewal: *Provided, however,* That the automatic extension shall not
4 apply to any privilege or right on activities which are regulated by reason of public
5 health safety.

6
7 **SECTION. 9. *Implementing Rules and Regulations.*** – The Civil Service
8 Commission shall, in consultation with the Office of the Ombudsman, and within
9 three (3) months from effectivity of this Act, promulgate the necessary rules and
10 regulations for the effective implementation of this Act.

11 A copy of the said rules and regulations, including subsequent amendments
12 thereto, shall be submitted to Congress within fifteen (15) days after its promulgation.

13
14 **SECTION. 10. *Administration and Implementation.*** – The Civil Service
15 Commission and the Office of the Ombudsman shall jointly administer and
16 implement the provisions of this Act. The Commission and the Ombudsman may
17 suspend implementation of the prescribed action time upon formal
18 recommendations of the head office concerned, whenever the national interest and
19 security of the States require. Said suspension may be lifted when deemed proper
20 and necessary.

21
22 **SECTION. 11. *Violations.*** The following shall constitute violations of this
23 Act:

- 24 a) Refusal, after due demand or request, without sufficient justification, to
25 accept applications and / or requests or any document being submitted by a
26 client;
- 27 b) Neglect or failure to act on an application and / or request or to render
28 frontline services within the prescribed action time;
- 29 c) Failure to refer back to the client a request which cannot be acted upon due
30 to lack of requirement / s;
- 31 d) Failure to attend to clients who are within the premises of the agency or
32 office concerned prior to the end of official working hours and during lunch
33 break;
- 34 e) Failure to give written notice to a client on the disapproval of an application
35 or request;

- 1 f) Imposition of additional unnecessary requirements other than those
2 originally required; and
3 g) Collusion with fixers, in consideration of some pecuniary or material benefit
4 or advantage.

5
6 **SECTION. 12. Penalties.** – Any officer or employee who violates the
7 provisions of this Act shall suffer the following penalties:

- 8 a) On the 1st offense, the penalty of suspension of not more than thirty (30)
9 days;
10 b) On the 2nd offense, the penalty of suspension of not less than one (1) month
11 but not more than six (6) months;
12 c) On the 3rd offense, the penalty of suspension of not less than six (6) months
13 but not more than one (1) year; and
14 d) On the 4th offense, the penalty of dismissal from service and perpetual
15 disqualification from any public office;
16 e) Any officer or employee who commits any of the acts enumerated in the
17 preceding section in consideration of pecuniary gain or advantage shall,
18 upon conviction, shall suffer the penalty of *prision correccional* in its
19 maximum period, without prejudice to the filing of administrative charges, if
20 deemed appropriate.

21
22 **SECTION. 13. Prescription of Offenses.** – All offenses punishable under this
23 Act shall prescribe in five (5) years from discovery of the offense.

24
25 **SECTION. 14. Competent Jurisdiction.** – Any violation of the provisions of
26 this Act shall be within the exclusive and concurrent administrative jurisdiction of
27 the Offices of the Ombudsman and the Civil Service Commission.

28 However, jurisdiction over the criminal aspects of this Act shall rest
29 exclusively in the Office of the Ombudsman.

30
31 **SECTION. 15. Liability Escape Clause.** – When it is physically impossible to
32 comply with the prescribed action time for a request or an application due to an
33 increase in the volume of transactions, or a decrease in the number of personnel, or
34 any other similar cause, the Head of the government agency or office shall certify,
35 under oath, to the Office of the Ombudsman as to the physical impossibility of such
36 compliance.

1 Such certification shall free the official or employee from any criminal
2 liability, without prejudice to any other liability that the certifying officer may be
3 liable of.

4 The certification shall state the ground / s for the physical impossibility of
5 complying with the prescribed action time and the additional time required for a
6 particular transaction to be acted upon.

7 Said certification shall become the basis for the issuance of a new prescribed
8 action time, which approval, shall give rise to the penal sanction herein provided.

9
10 **SECTION. 16. *Annual Accomplishment Report.*** All government agencies
11 and offices covered under this Act shall, within thirty (30) days from the end of the
12 year, submit a full report of their performance, accomplishments, and / or
13 compliance to the Civil Service Commission and the Office of the Ombudsman, in
14 accordance with this Act.

15 Said reports shall then be included and submitted to the Civil Service
16 Commission and the Office of the Ombudsman in their annual accomplishment
17 reports to the Office of the President and the Congress of the Philippines.

18
19 **SECTION. 17. *Repealing Clause.*** All laws, decrees, orders, issuances, rules
20 and regulations deemed inconsistent with the provisions of this Act are hereby
21 repealed or modified accordingly.

22
23 **SECTION. 18. *Separability Clause.*** – Should any provision hereof be
24 declared unconstitutional by the courts, such declaration shall not affect the validity
25 of the remaining provisions of this law.

26
27 **SECTION. 19. *Effectivity.*** – This Act shall take effect within fifteen (15)
28 days after its full publication in the Official Gazette (OG) or in at least two (2)
29 newspapers of general circulation.

30
31 *Approved,*