



## EXECUTIVE SUMMARY

Corruption serves as a menace that disrupts efficient and effective functions of an agency. It compromises the quantity and quality of outputs the agency should deliver to its clients. Specifically, presence of corruption in government agencies poses threats in the crucial delivery of public service. In this regard, pinpointing vulnerable areas to corruption, addressing these areas, and strengthening already installed systems of controls should be considered to curb and more importantly thwart corruption. An overall review of the agency's corruption vulnerability and susceptibility may be sought to materialize corruption prevention. The Integrity Development Review Project, which works through the integration of corruption resistance strategies into the various organizational facets of an agency so that factors that contribute to corrupt behavior can be checked and those that discourage corrupt acts or malfeasance are reinforced, is a promising tool to reach favorable results as far as anti- corruption efforts and agency productivity enhancements are concerned.

The Integrity Development Review of the Bureau of Fire Protection (IDR-BFP) is a five-month project that started in January 2007 and completed in June 2007 by a composite team of assessors from the Development Academy of the Philippines (DAP), Ombudsman (OMB), Commission on Audit (COA), Department of Budget and Management (DBM), and the Bureau of Fire Protection (BFP). The IDR- BFP aims to help the agency to assess its corruption vulnerabilities and provide plausible recommendations for installing and/ or improving its corruption prevention schemes for the benefit of the agency to safeguard and facilitate the fulfillment of their mandate to prevent and suppress all destructive fires on buildings, houses, and other similar structures, forests, airports, land transportation vehicles and equipment, ships docked at wharves, petroleum industry installations, and other similar structures.

The IDR was conducted in four (4) sites, namely: BFP-National Headquarters, BFP-NCR, BFP-Region 6, and BFP-Region 10- all of which are chosen by the agency under assessment. The IDR assessment process involved two stages: the Corruption Resistance Review (CRR), which is a guided self-assessment that provides set standards or levels that each agency can assess itself as regards its efforts to develop integrity in the workplace, and the Corruption Vulnerability Assessment (CVA) that entails detailed examination of the general control environment of the agency, the inherent risk of corruption in agency operations, and the adequacy of existing safeguards.

CRR included, first, the conduct of Integrity Development Assessment (IDA) workshops where process owners and top officers of the agency were asked to rate the agency's anti- corruption efforts on ten dimensions (i.e. Leadership, Code of Conduct, Gifts & Benefits, Human Resource Management, Performance Management, Procurement Management, Financial Management, Whistleblowing, Internal Reporting & Investigation, Corruption Risk Management, and Managing Interface with the External Environment). The IDA workshops were participated in by all senior leaders of the respective sites. Second is the survey of employees. Stratified random sampling was used to determine the respondents to serve as representatives of the whole BFP population. A total of 376 personnel served as survey respondents. Finally, indicators research was done to verify the claims of IDA participants.



Based on document review and interviews with process owners and selected personnel, the team came up with the following ratings for the 10 CRR dimensions:

Dimension	Team Rating
Leadership	2
Code of Conduct	1
Gifts & Benefits	0
Human Resource Management	0
Performance Management	1
Procurement Management	1
Financial Management	1
Whistleblowing, Internal Reporting & Investigation	0
Corruption Risk Management	0
Managing Interface with the External Environment	0

In terms of agency efforts to address corruption, the table only shows that the strength of the agency is in its leadership. BFP's senior leaders set and to some extent, deploy organizational values, short and long term directions and performance expectations. They also employ some mechanisms to articulate the importance of ethical behavior in dealing with the public. The agency's senior leaders have also initiated anti-corruption programs to discourage the staff from engaging in corrupt practices.

The BFP-FIRES, which serves as the Bureau's Code of Conduct since 2001, and the monitoring of the HR division on the submission of SALN by all personnel have satisfied the rating of 1 for the Bureau. However, although BFP-FIRES is supposedly created for bureau personnel, it lacks concrete examples of ethically acceptable and unacceptable practices relevant to the bureau. Except for a few provisions such as when or how to salute, courtesy calls and traditional beliefs and practices, most of the provisions are direct adaptation of existing provisions of RA 6713.

As to performance management, the agency has a rating of 1 because it possesses a set organizational goals, annual targets and performance indicators. Likewise, performance targets and work plans at the unit and individual levels are based on the agency's goals. While there is a performance evaluation system in place, there is no regular training provided for the agency's managers and supervisors on performance evaluation and management. Performance evaluation is only one aspect of the performance management system. Performance management also involves developing the full potential of the employee. It includes identifying the employees' strengths and areas for improvement as well as their areas for development.

The Bureau of Fire Protection as a whole adopts the new procurement law (R.A.9184). Procurement is based on the APP. Third party observers are invited to witness the bidding process. The agency, however, has no written guidelines and procedures on the different modes of procurement as well as on the inspection of goods upon delivery and distribution to other units and fire stations. These justify the rating of 1 in this dimension.

The area of Financial Management received a rating of 1 since accounts and account codes presented in the financial statements agree with the NGAS chart of accounts. Also, the financial statements are prepared in accordance with the NGAS format. DBM Budget Guidelines are also observed. The agency has established control systems to ensure that its financial resources are protected. Financial accountabilities of officials and employees are defined. Disbursement vouchers pass through the Budget for fund allocation which indicates that the process is also guided by budgeting rules. The agency has flowcharts for the disbursement of funds. However, the actual process flow could not be walked through the flowcharts. Also, the flowcharts are not complete with the flow of documents.



The agency has HR mechanisms in place, namely: a) existing guidelines and process for recruitment and promotion, b) a Personnel Selection Board responsible for screening applicants for recruitment and promotion, and c) background investigation including clearances from other government agencies such as local government units, NBI, police, local courts, to prevent entry of corrupt employees and those with cases involving moral turpitude. Nevertheless, the agency received a rating of zero since it does not have a complete set of job descriptions for all positions.

Based on document validation and interviews, the team arrived at an overall rating of zero for managing interface with external environment. All sites have an information system to communicate to the public its services, policies, rules and procedures. Most of the information, however, relates to public awareness on fire prevention. Comparatively little information is disseminated about the agency's other services such as fire suppression and emergency medical services. Although the agency provides guidelines and tips to prevent fires, BFP activities on fire control and suppression as well as proactive dissemination of procedures on Fire Safety Inspection Certificate (FSIC) acquisition are not sufficiently transmitted. To some extent, it informs the transacting public of its procedures in obtaining an FSIC. In spite of these, while the agency recognizes the importance of information in establishing a healthy relationship with the public and its clientele, it lacks written policies on the type of data that should and should not be shared to the public.

The absence of a gifts and benefits policy, corruption risk management, and whistleblowing, and internal reporting and investigation mechanisms, on the other hand, made rating of the other remaining dimensions zero.

After the arriving at the results of the CRR, Corruption Vulnerability Assessment (CVA) followed. Three agency processes were subjected to CVA. These include 1) Procurement Management, 2) Recruitment and Promotion, and 3) Issuance of Fire Safety Inspection Certificates (FSIC). These processes were selected using the following criteria 1) significance of operation to the fulfillment of the agency mandate, 2) extent of operation, 3) materiality of cost involved, and 4) perceived impact of the activity.

Field visits to NHQ, NCR, Region 6 and Region 10 were required to assess the selected CVA areas. In the process, a total of 23 district/provincial/city/municipal fire stations in NCR, Region 6, and Region 10 were visited by the team of assessors at this stage.

Risks on each process were identified during the CVA. The following table enumerates them.

Process	Risks
Procurement Management	<ol style="list-style-type: none"> <li>1. Delivery of and payment for inferior products</li> <li>2. Manipulation of transactions</li> <li>3. Delayed delivery of goods and service</li> <li>4. Ghost delivery</li> <li>5. Collusion with supplier</li> <li>6. Malversation</li> <li>7. Falsification of documents</li> <li>8. Misuse of fuel allocation</li> <li>9. Utilization of gas coupons by unauthorized persons/vehicles</li> <li>10. Cash conversion</li> <li>11. Loss of fire fighting gears and equipment and replacement with cheaper/inferior items</li> <li>12. Loss of record</li> <li>13. Lack of transparency and accountability</li> </ol>



Process	Risks
Recruitment and Promotion	<ol style="list-style-type: none"> <li>1. Favoring certain regions</li> <li>2. Paying officials to obtain recruitment/promotion slots</li> <li>3. Unequal opportunity to qualified applicants</li> <li>4. Circumvention of law, hiring/promotion of less or not qualified applicants</li> <li>5. Perpetuation of “utang na loob” or loyalty to endorsing official instead of to the bureau</li> <li>6. Undue pressure to Regional Directors or Fire Chief</li> <li>7. Subjective selection of applicants</li> <li>8. Manipulation of exam/interview</li> <li>9. Delayed processing of application, demoralization of staff</li> <li>10. Skip steps in recruitment and promotion process such as written exam, interview, medical and agility tests</li> </ol>
Issuance of FSIC	<ol style="list-style-type: none"> <li>1. Fixing to facilitate/expedite release of building plans/FSICs</li> <li>2. Neglect of duty and malfeasance</li> <li>3. Inability to determine appropriateness and expeditiousness of actions</li> <li>4. Abuse of discretion/authority</li> <li>5. Collusion with applicant</li> <li>6. Solicitation/Extortion/Bribery</li> <li>7. Lack of check and balance</li> <li>8. Occurrence of double/multiple inspections, harassment, unauthorized inspection</li> <li>9. Conflict of interest</li> <li>10. Use of official time for personal gain</li> <li>11. Loyalty to LGU official</li> <li>12. Lack of accountability</li> <li>13. Inconsistent application of penalty</li> <li>14. Inability to adequately perform job</li> <li>15. Discrepancies in After Mission Reports</li> <li>16. Difficulty in monitoring FSICs issued, issuance of fake FSICs, Mission Orders</li> <li>17. Discrepancies in record of collection and LGU remittance</li> <li>18. Loss of lives and property</li> </ol>

Based on the CVA, it was concluded that the agency’s existing safeguards to prevent corruption in procurement management<sup>1</sup>, recruitment and promotion<sup>2</sup>, and issuance of FSICs<sup>3</sup> are inadequate. These need to be reviewed

<sup>1</sup> Comprised of RA9184 – New Procurement Law, E-Procurement, Operations Plan and Budget, Annual Procurement Plan, Certificate of Availability of Funds, Advice of Sub-Allotment, Government e-Procurement System, Bids & Awards Committee, Technical Inspection Committee / Inspection and Acceptance Committee, Acknowledgement Receipt of Equipment, Request and Issue Sheet, and Comprehensive Delegation of Authority.

<sup>2</sup> Safeguards includes RA9263 - Professionalization Act of 2004, Personnel Selection Board, DBM’s Authorized Strength, Qualification Standards, Guidelines and Standard Procedures in the Recruitment, Selection and Appointment of Fire Officer 1, Standard Procedure for the Promotion of Uniformed Personnel with the Rank of Fire Officer 2 to Senior Fire Officer 4, Standard Procedure for the Promotion of Uniformed Personnel for Second Level Positions with the Rank of Inspector to Superintendent, Guidelines for Promotion/Selection of Uniformed Personnel for Third Level Rank, and Civil Service attestation.

<sup>3</sup> The controls in place in the issuance of FSICs are Fire Safety Enforcement Division, Fire Safety Correction Sheet, Mission Order, and After Mission Report.



and improved to minimize the risks identified. In this regard, the assessment team suggests its overall recommendations as follows:

1. Create an Integrity Development Steering Committee who will lead in the preparation, implementation, review and improvement of the agency's corruption prevention initiatives.
2. Revisit FIRES and provide specific guidelines on ethical conduct by providing clear examples of what are acceptable practices and what are not.
3. Establish sanctions for corrupt practices as well as incentives for good performance. Link Performance Evaluation System with incentives scheme.
4. Review the recruitment and promotion scheme and its adherence to fairness, equal opportunity, fitness and merit.
5. Invest in computerization of Inventory, Personnel Information, Accounting, and FSIC Monitoring systems.
6. Establish a Code of Conduct for BAC/RBAC and PSB/RPSB.
7. Prioritize budget allocation for purchase of firefighting gears/equipment as well as maintenance and upgrading of facilities and equipment of fire stations.
8. Improve communication facilities of all BFP offices/fire stations.
9. Enhance transparency on donations and support from the LGUs and other stakeholders.
10. Benchmark with fire bureaus of other countries such as Singapore and the U.S.
11. BFP should pursue the revision of the Fire Code through a legislative agenda.