

A JOINT PROJECT OF THE
OFFICE OF THE PRESIDENT
AND THE
OFFICE OF THE OMBUDSMAN

Integrity Management Program Handbook

Building a Culture of Integrity



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Acronyms

APCPI	Agency Procurement Compliance and Performance Indicator Self-assessment
COA	Commission on Audit
CSC	Civil Service Commission
CSO	Civil Society Organization
DBM	Department of Budget and Management
DepEd	Department of Education
EO	Executive Order
GGACCC	Good Governance and Anti-corruption Cabinet Cluster
GPPB	Government Procurement Policy Board
IAAGCC	Inter-agency Anti-graft Coordinating Council
IDAP	Integrity Development Action Plan
IDR	Integrity Development Review
IMC	Integrity Management Committee
MSI	Management Systems International
ODESLA	Office of the Deputy Executive Secretary for Legal Affairs
OGP	Open Government Partnership
OMB	Office of the Ombudsman
OP	Office of the President
PDP	Philippine Development Plan
PMC	Program Management Committee
RA	Republic Act
UNCAC	United Nations Convention Against Corruption

Definition of Terms

Integrity – the faithful and consistent application of generally accepted public values and norms in the daily practice of public sector institutions; the proper use of powers, authorities, assets, resources and funds according to the official purpose for which they are intended, with the end in view of promoting public welfare.

Integrity Management – the continuous process of building, enforcing and fostering a culture of integrity within an organization or institution.

Integrity Measures – policies, programs and systems that provide an enabling environment for integrity management in an organization or institution. These are responses of public sector institutions to address issues, vulnerabilities and concerns, and may come in the form of a set of policies, systems, programs and activities to operationalize the well-identified integrity values, principles and standards.

Integrity Management Structure – the assignment and designation of roles, authorities and responsibilities of the people within an the organization to plan, implement, review and improve the Integrity Management Plan.

Integrity Management Committee – the committee primarily responsible for effectuating the agenda of the IMP, and acts as the partner of the head of the public sector institution in managing the integrity of the organization.

Integrity Management Resources – the institutional, logistical, and human and knowledge inputs that the institution may utilize in pursuing its integrity policies and objectives.

Integrity Management Documentation – the knowledge base of the integrity management structure needed for the continual improvement of organizational systems and processes.

Integrity Management Plan – a document that identifies and details the institution's requirements, concerns and specific courses of action in response to its integrity management needs and in pursuit of its anti-corruption agenda and integrity objectives.

Program Management Committee – the oversight committee created by the Office of the President - Office of the Deputy Executive Secretary for Legal Affairs and the Office of the Ombudsman to lead the implementation of the IMP.

Grand Corruption – corruption, usually syndicated, often involving large sums of money, which negatively impacts the whole country or the legitimacy of the government.

Petty Corruption – street-level, everyday corruption which occurs when citizens participate in corruption activities and transactions with low- to mid-level public officials

in places like hospitals, schools, police department, and other bureaucratic agencies where the scale of transactions is small and primarily impacts only the official.

Public Sector Institutions – refers to departments, agencies, bureaus and offices of the national government, including government-owned or controlled corporations, government financial institutions and their subsidiaries, engaged in the delivery of public goods and services, and local government units.

Part I. Integrity Management Program (IMP)

In order to build a sustainable culture of integrity in public sector institutions, the government needs a program that will fortify the contributions of all existing integrity measures and initiatives under the existing integrity development programs of the Office of the President (OP) and the Office of the Ombudsman (OMB).

As the government's flagship anti-corruption program, the Integrity Management Program (IMP)¹ aims to systematize and implement integrity building across the entire bureaucracy. It adopts as framework the international standards and practices on anti-corruption measures under the United Nations Convention Against Corruption (UNCAC) within the principles of a state's domestic law, thus, allowing different interpretations of the Convention's requirements among countries.

The Convention, signed by the Philippine Government in December 2003 and subsequently ratified in November 2006, obliges state parties to comply with its mandatory provisions and with other requirements that parties are encouraged to adopt. It also provides both preventive and punitive measures, and addresses the cross-border nature of corruption by providing for international cooperation and for the return of the proceeds of corruption. It calls on the private sector and civil society organizations (CSOs) to participate in accountability processes, with emphasis on the importance of citizen access to information. As a signatory to the Convention, the Philippines is committed to adopt its principles.

A. Description

The IMP is a preventive anti-corruption measure of the government. It aims to establish a systematic approach in building, improving, reinforcing and sustaining a culture of integrity in public sector institutions that is rooted in acceptable values, principles and standards of good governance. The program builds on the experience of implementing past corruption prevention measures, namely, the Integrity Development Review (IDR) and the Integrity Development Action Plan (IDAP).¹ The IMP fortifies the gains and benefits of the IDR and the IDAP via a wholistic approach in instituting the use of highly innovative change management processes, techniques and tools in promoting,

¹The IMP was developed with support from the World Bank, under IDF Grant No. 94495, and under the guidance of Cecile Vales, the Task Team Manager.

advocating and safeguarding the integrity of public sector institutions and the people that comprise it in the performance of their mandates.

The IMP is a planned and concerted approach by which public sector institutions commit to harness a culture of integrity among officials and personnel. It is conceived to empower these institutions in managing the renewal and improvement of individual and institutional values, principles of conduct and standards of performance for the attainment of integrity in the highest degree which befits a public sector institution worthy of public trust.

The IMP is an outcome-based initiative to effect a directional change in integrity management across public sector institutions from their respective central authorities down to the different operative units. It is a total commitment of all those who comprise the institution to take the reins in its integrity journey from initiation up to the point where said institution is able to attain credibility and has earned the trust and acceptance of the public by demonstrating integrity in the performance of its mandates and in the delivery of its programs and services.

The IMP has the following characteristics:

- A strengthened program design which incorporates monitoring and evaluation, rewards and incentives, technical assistance arrangements, capacity-building initiatives, with specific anti-corruption tools and measures. The development process involves a multi-stakeholder group of anti-corruption bodies.
- Alignment with current anti-corruption priorities and harmonization with past integrity development programs. It builds on and harmonizes the IDR and the IDAP, and is aligned with existing flagship programs on good governance and anti-corruption, namely, the Open Government Partnership (OGP) commitments, the Good Governance and Anti-corruption Cabinet Cluster (GGACCC) Action Plan, and the Philippine Development Plan (PDP).
- Flexibility of tools to be employed by the implementing institution. It does not prescribe a one-size-fits-all approach, instead, it empowers said institution to best suit an approach according to the peculiarities of its organization.
- A streamlined program integrated with the integrity management plans of other institutions and with government priorities. The integrity management plans that will be developed under the IMP are to be integrated with key organizational plans such as strategic plans and operations plans, among others.

B. Background and Objectives

In the early 2000s, the Philippine Government implemented two key anti-corruption programs in pursuit of promoting good governance. On one hand, the IDR, developed and pilot-tested in 2003 at the OMB, the Department of Education (DepEd) and the Civil Service Commission (CSC), became a flagship corruption prevention program, and has since been implemented in as many as 22 public sector institutions. The IDR was designed to be a systematic diagnostic tool to determine an institution's resistance and vulnerabilities to corruption.

The IDAP, on the other hand, was formulated in 2004 and served as the national anti-corruption framework of the executive branch. It was composed of 22 anti-corruption measures (called "doables") under the broad strategies of prevention, education, investigation and deterrence.

True to their objectives, the two programs pushed institutions to address corruption vulnerabilities through useful and readily implementable measures, *i.e.* through agency codes of conduct, gifts and benefits policy and integrity check. The IDR, in particular, paved the way for the adoption of responsive whistleblowing and internal reporting policies in some institutions.

However, despite the concrete achievements of the IDR and IDAP, an evaluation of the implementation and outcomes of these programs made by Management Systems International (MSI) in 2012 revealed some important areas for improvement in the government's anti-corruption efforts. For instance, the oversight functions of the programs were found to be weak and inconsistent; capacity-building activities in oversight agencies failed to achieve desired results because of the high turn-over rate of employees; and there were minimal opportunities for interaction with the oversight agencies which could have facilitated timely feedback on implementation status.

MSI also noted the lack of an appropriate monitoring and evaluation system that could ensure the relevance and practicability of the integrity measures in relation to the institution's core functions and mandates. Monitoring and evaluation in the two earlier programs did not go beyond measuring compliance with the IDAP doables and the IDR levels of achievement indicators; thus, many of the measures were not integrated in the institution's core operations and, as a consequence, became impractical and irrelevant. The efficiency and usefulness of both the IDAP and the IDR were found to be limited because much of the anti-corruption measures and IDR indicators were not agency-specific. This means that action plans were not grounded at the institution's end.

Although both the IDAP and the IDR showed great potential, MSI posited that a harmonized program could better address the corruption vulnerabilities of the implementing institutions. Therefore, following MSI's findings, a harmonized program should be built on the important elements and designs of an applicable integrity framework equipped with a monitoring and evaluation system and an oversight mechanism, to ensure efficiency and effectiveness. Harmonization entails an alignment

with existing good governance programs. In this regard, the IMP will support the current thrusts of the government in promoting good governance along the lines of the 2011-2016 PDP, the OGP commitments, and the GGACCC Action Plan per Executive Order (EO) No. 43.

Integrity management directly contributes to the PDP strategy of decisively curbing corruption by intensifying corruption prevention and by strengthening integrity mechanisms and control structures in the bureaucracy. It offers a consistent method to address the government's vulnerability to corruption.

The Philippines is one of the eight founding governments of the OGP committed to institute the principles of transparency, accountability and citizen participation in government processes. The IMP adheres to these principles in integrity building as, in fact, it incorporates the Philippines' specific OGP commitments into its own integrity management framework. These include disclosure of budget information, civil society involvement for social accountability, and citizen's charters.

The IMP will also aid in the achievement of targets in one of the key result areas under EO 43. Following the pillars of open governance, namely, transparency, accountability and citizen engagement, integrity management will contribute to institutionalize open, transparent, accountable and inclusive governance, and will play a key role in strengthening institutions and systems to eradicate corruption and other irregularities in the government. Complementation will be made with other accountability measures of performance management to ensure synthesis of actions.

C. Implementing Structure

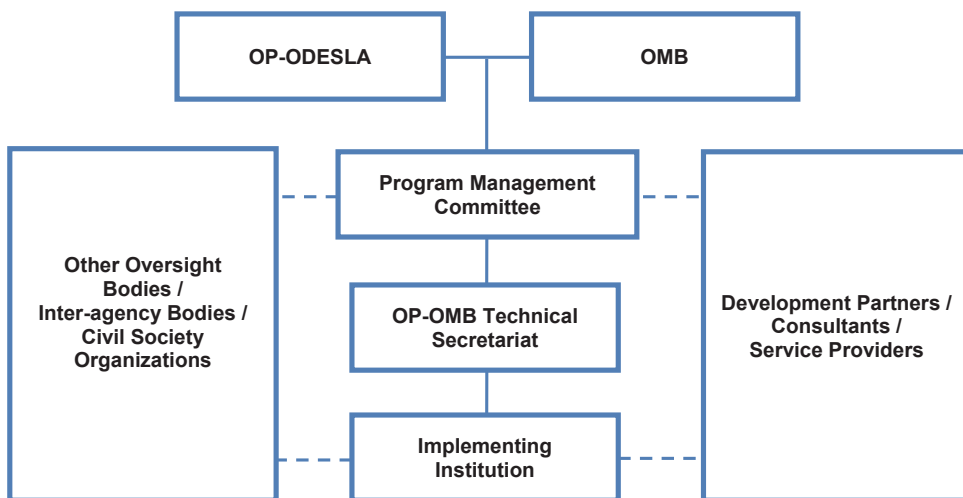
Program Implementing Structure

A Program Management Committee (PMC) serves as the overseer of IMP implementation. The committee is composed of representatives from the OP-Office of the Deputy Executive Secretary for Legal Affairs (ODESLA) and the OMB, being the lead agencies in this program. A CSO representative may be invited as a participant-observer.

The PMC shall work closely with other oversight bodies like the CSC, the Commission on Audit (COA), the Department of Budget and Management (DBM) and the National Economic and Development Authority (NEDA) in order to ensure that IMP implementation is consistent with the standards set in their respective jurisdictions. It shall also coordinate with relevant inter-agency bodies like the GGAC and the Inter-agency Anti-graft Coordinating Council (IAAGCC). This close coordination is expected to contribute to the achievement of desired sectoral outcomes for good governance and anti-corruption as identified in both the PDP Results Matrix and the GGAC Action Plan. Also, the PMC shall oversee program coordination with the public sector institution's UNCAC Internal Working Group and other implementing and review mechanisms of the

Convention in the Philippines to attain progressive compliance with international standards.

Figure 1: Integrity Management Program Implementing Structure



The following are the functions of the PMC:

- Coordinate with the GGAC Cabinet Cluster, the IAAGCC and other coordinating bodies related to integrity and anti-corruption, *i.e.*, UNCAC implementation and review mechanisms and implementing agencies;
- Serve as the program overseer that will provide overall direction to the program;
- Provide input to policy making to ensure effective implementation of the IMP;
- Oversee regular program monitoring and evaluation;
- Facilitate the provision of technical assistance to public sector institutions;
- Ensure the provision of a capacity-building intervention in relation to the effective roll-out of the IMP;
- Establish a rewards and incentive scheme to promote compliance and good practices in IMP implementation;
- Engage relevant stakeholders and build constituency in support of the IMP; and
- Ensure that resources are allocated to the program.

The PMC is supported by a Technical Secretariat with representatives from both the OP-ODESLA and the OMB. The Technical Secretariat shall undertake the following:

IMP Management

- Serve as the discussion group in operationalizing the directions set at the PMC level;
- Develop and endorse technical and operational guidelines supportive of IMP implementation for consideration and approval of the PMC;
- Provide policy recommendation and/or advisory on specific issues and concerns across public sector institutions to improve IMP implementation; and,
- Provide secretarial support to the PMC.

IMP Monitoring and Evaluation

- Monitor and evaluate the implementation of the Integrity Management Plan of public sector institutions and their performance;
- Communicate comments and feedback to the public sector institutions on their submission or outputs, including monitoring reports;
- Ensure the documentation of the entire process including experiences of public sector institutions and lessons learned;
- Develop a pool of external assessors for public sector institution certification;
- Recommend to the PMC the awarding of public sector institutions based on certification levels after assessment; and,
- Conduct mid- and end-of-program evaluation.

Institutional Support

- Provide technical advice and assistance to public sector institutions at various stages of the IMP, especially in the conduct of integrity assessment and in the development of the Integrity Management Plan;
- Serve as coordinator for IMP implementation and related concerns; and,
- Provide capacity-building interventions to public sector institutions.

The implementation of the IMP is clearly within the functions and concerns of both the OP-ODESLA and the OMB. Their joint leadership in coordinating and overseeing the implementation is found in their respective mandates. The OP shall ensure that laws against graft and corrupt practices are faithfully executed and, to this end, ensure that IMP policies, strategies, processes and action plans cascade down to all public sector institutions both at the national and local levels of governance in the country. The OMB, as protector of the people and an independent constitutional body, shall monitor the general and specific performance of government officials and employees to determine causes of inefficiency, red tape, mismanagement, fraud and corruption.

Institutional Implementing Structure

Institutions implementing the IMP shall create an Integrity Management Committee (IMC) to manage and guide the development and enforcement of integrity measures, as well as to encourage participation in IMP implementation at the institution level. It shall

be comprised of personnel within the institution who shall be responsible for planning, implementation, review and improvement of the IMP.

The head of institution shall be primarily responsible for the implementation and sustainability of the IMP. He/she shall create an IMC and appoint its members to marshal the implementation of integrity management initiatives. The rules and mechanics for recruitment, selection and composition of the members of the IMC, as well as the terms of appointment, shall be at the discretion of the institution concerned depending on its needs and resources.

The IMC shall be composed of the following members:

- A chairperson, preferably the head of institution;
- A vice-chairperson, who shall not be lower than an Assistant Secretary or a third-ranking official;
- The heads of key management offices involved in the integrity management process including, but not limited to, human resource, finance and procurement offices;
- The head of internal auditing office;
- A representative of the rank-and-file employees chosen in accordance with CSC rules and regulations; and
- A representative from the CSOs chosen by the institution in accordance with the Guidelines on CSO Participation in the IMP (see Annex 1).

The IMC has the following functions:

- a. Oversee and ensure the effective implementation of all integrity management initiatives and measures within the institution that are reflective of the values, principles and standards of the IMP (see Part I Section D, Elements of the IMP);
- b. Facilitate integrity management planning; in particular, to seek an institution-wide commitment in identifying implementation challenges and concerns, as well as the measures and corresponding persons or units to address the same, together with resource requirements and the timeline of implementation;
- c. Develop a communication plan to cascade all institutional integrity management initiatives and measures, together with the Integrity Management Plan and the IMP in general, across the institution from its central office to its field offices and units (*i.e.* from regional to provincial units);
- d. Initially implement the program at its central office and, subsequently, roll it out to its regional offices;
- e. Regularly meet to identify and address hindering factors in implementing the Integrity Management Plan;
- f. Regularly monitor and review the accomplishment of commitments stated in the Integrity Management Plan, and establish a feedback mechanism therefor;
- g. Ensure the implementation of a mechanism for participation of external stakeholders such as the private sector, non-government organizations, community-based organizations and CSOs;

- h. Prepare progress and performance monitoring reports on the institution's Integrity Management Plan implementation and submit the same to the PMC;
- i. Act as custodian of data and information on IMP implementation; and,
- j. Perform such other functions as may be necessary in the implementation of integrity management initiatives and measures based on nationally and internationally accepted standards.

D. Elements of the IMP

The IMP establishes confidence in the capacity of public sector institutions to install a change management process along the three mutually reinforcing elements of integrity as follows:

- a. Individual and institutional values - represent the incorruptible ideals, character, ethics, sense of duty and sense of honor, congruent with the organization values of a public sector institution as stipulated in Section 4 of Republic Act (RA) No. 6713 on Norms of Conduct of Public Officials and Employees.
 - Commitment to public interest - Public officials and employees shall always uphold the public interest over and above personal interest. All government resources and powers of their respective offices must be employed and used efficiently, effectively, honestly and economically, particularly to avoid wastage of public funds and revenues.
 - Professionalism - Public officials and employees shall perform and discharge their duties with the highest degree of excellence, professionalism, intelligence and skill. They shall enter public service with utmost devotion and dedication to duty. They shall endeavor to discourage wrong perceptions in their roles as dispensers or peddlers of undue patronage.
 - Justness and sincerity - Public officials and employees shall remain true to the people at all times. They must act with justness and sincerity and shall not discriminate against anyone, especially the poor and the underprivileged. They shall at all times respect the rights of others, and shall refrain from doing acts contrary to law, good morals, good customs, public policy, public order, public safety and public interest. They shall not dispense or extend undue favors on account of their office to their relatives whether by consanguinity or affinity, except with respect to appointments of such relatives to positions considered strictly confidential or as members of their personal staff whose terms are coterminous with theirs.

- Political neutrality - Public officials and employees shall provide service to everyone without unfair discrimination and regardless of party affiliation or preference.
 - Responsiveness to the public - Public officials and employees shall extend prompt, courteous and adequate service to the public. Unless otherwise provided by law or when required by the public interest, public officials and employees shall provide information on their policies and procedures in clear and understandable language; ensure openness of information, public consultations and hearings whenever appropriate; encourage suggestions; simplify and systematize policy, rules and procedures; avoid red tape; and develop an understanding and appreciation of the socio-economic conditions prevailing in the country, especially in the depressed rural and urban areas.
 - Nationalism and patriotism - Public officials and employees shall at all times be loyal to the Republic and to the Filipino people; promote the use of locally produced goods, resources and technology; and encourage appreciation and pride of country and people. They shall endeavor to maintain and defend Philippine sovereignty against foreign intrusion.
 - Commitment to democracy - Public officials and employees shall commit themselves to the democratic way of life and values, maintain the principle of public accountability, and manifest by deeds the supremacy of civilian authority over the military. They shall at all times uphold the Constitution and put loyalty to country above loyalty to persons or party.
 - Simple living - Public officials and employees and their families shall lead modest lives appropriate to their position and income. They shall not indulge in extravagant or ostentatious display of wealth in any form.
- b. Principles of Conduct - represent the accepted and professed rule of conduct of a person or institution of good moral principles. The IMP is adopting the United Nations Development Programme's good governance principles (2003) side by side with human rights principles.
- Effectiveness and efficiency - Processes and institutions produce results that meet the needs while making the best use of resources.
 - Responsiveness - Ensuring that stakeholders from diverse cultural backgrounds face no barrier in receiving government services; are treated fairly; are given clear information about their entitlements and obligations; and are assisted by the institution's service staff in ways that meet their particular needs.

- Strategic vision – The leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities on which that perspective is grounded.
 - Accountability - Decision-makers in the government, the private sector and in CSOs are accountable to the public and to institutional stakeholders. This accountability differs depending on the organizations and whether the decision is internal or external.
 - Transparency - Transparency is built on the free flow of information. Processes and information are directly accessible to those concerned with them, and enough access and information is provided to understand and monitor them.
 - Equity - All men and women have opportunities to improve or maintain their well-being.
 - Rule of law - Legal frameworks should be fair and enforced impartially, particularly the laws on human rights.
 - Participation - All men and women should have a voice in decision making, either directly or through legitimate intermediate institutions that represent their intention. Such broad participation is built on freedom of association and speech, as well as on the capacity for constructive participation.
 - Consensus orientation - Good governance mediates differing interests to reach a broad consensus on what is in the best interest of the group and, where possible, on policies and procedures.
 - Non-discrimination and equality – equality addresses power inequalities, be it political, economic, legal or cultural, and requires the extension of development gains to the most excluded groups and individuals. Institutions that ensure non-discrimination and equality can mitigate the effects of a crisis on the most vulnerable, such as through the facilitated ring-fencing of social expenditure and the prevention of erosion of normative standards in times of crisis.
- c. Adherence to standards - Refers to local and international standards, measures and rules and their harmonization, whenever necessary or required, for adherence or compliance, in order to strengthen the legal and regulatory environment in a public sector institution, and in the government at large, for fighting corruption and enhancing integrity practices. The IMP will focus on selected national laws with the UNCAC as basis for local and international standard. This will be detailed in the next section.

E. IMP Management at the Institution Level

As envisioned, the IMP will operate at the institutional or organizational level through a management cycle with mutually reinforcing stages, as follows:

- a. Setting up an IMC – a participatory management body having key or critical operating offices within the public sector institution, and, if possible, with CSO partners represented, which shall consistently facilitate the assessment, planning, implementation, monitoring and evaluation of the IMP at the institution level.
- b. Conducting an integrity assessment – a participatory and consultative process of defining and analyzing integrity issues, corruption vulnerabilities and other concerns of the institution, and ascertaining the strengths and weaknesses of institutional structures, policies, programs, systems and controls that will then be the bases in determining and prioritizing the necessary integrity measures.
- c. Developing an Integrity Management Plan – the logical framework approach in developing a program framework for the IMP at the institution level, and involves formulating integrity measures based on given standards to address integrity issues or corruption vulnerabilities. This includes key priority areas for intervention or application of integrity measures and implementation planning.
- d. Implementing the Integrity Management Plan – the consistent application and implementation of integrity measures reflective not only of the identified personal and institutional values and principles of conduct expected from the institution's personnel, but also of relevant domestic and international standards, all within the framework of the Integrity Management Plan. It includes the adoption of change management initiatives, communication strategies and incentive schemes for effective implementation.
- e. Conducting an internal agency monitoring and evaluation – an iterative and periodic progress and performance tracking of the Integrity Management Plan implementation, and includes the assessment of the progress in implementing selected integrity measures vis-à-vis the identified domestic and international integrity standards.

F. Agency Integrity Measures

Integrity measures are the response of the public sector institution to address issues, vulnerabilities and concerns that may come in the form of a set of policies, systems, programs and activities to operationalize the identified integrity values, principles and standards. For instance:

INTEGRITY NEEDS/CONCERNS	VALUES	PRINCIPLES	STANDARDS	MEASURES
Corruption in public procurement/Collusion with supplier	Justness and sincerity	Accountability and transparency	Public servants should remain objective, fair and uphold public interest over private interest at all times (Organization for Economic Cooperation and Development Civil Service Ethics laws, and Codes of Ethics for civil servants and public officials ⁱⁱ)	<ul style="list-style-type: none"> ▪ Implement the multiple-presence principle whereby public servants cannot make a decision individually. The decision-making process should be transparent and open to scrutiny. ▪ Rotation of personnel ▪ Training; ▪ Lifestyle check

As shown above, the proposed integrity measures help address the integrity problem involving collusion at three levels: values, principles and standards. The integrity measures are actionable points that are expected to address the problem identified within the institution. In applying these measures, desired values, principles and standards are operationalized and reinforced. At the same time, by promoting the same institutional values, principles and standards, proper personnel conduct against corrupt behavior is encouraged.

G. Six Dimensions in Developing Integrity Measures

It is imperative that the institution employ key initiatives and measures to enforce integrity at all levels and in crucial aspects of the organization that would reduce, if not prevent, corruption from happening. Thus, it must formulate such integrity measures as are representative of any or all of the six (6) IMP dimensions, namely, Service Delivery; Institutional Leadership; Financial, Procurement and Asset Management; Human Resource Management and Development; Corruption Risk Management; and Internal Reporting and Investigation. The IMP recognizes that these dimensions are pivotal in stimulating and enforcing integrity management in the organization which may impact on the systems, programs, and policies identified by the institution. The outcomes of these dimensions, shown in the following discussion, demonstrate how they contribute institutionalizing integrity.

Service Delivery

The very purpose of public office is public service. In the delivery of services, public sector institutions come face to face with their external stakeholders or clients. The provision of services is subject to vulnerability because more often than not, corrupt activities involve external parties. Corruption vulnerabilities abound in the provision of frontline services, in the collection of fees, and in the exercise of regulation functions, among others. In order to build integrity in its system, the institution must observe transparency in its interaction with the public. A key indicator is its efficient delivery of services. The Anti-Red Tape Act (RA 9485) provides the standards and procedures to be observed by the institution in order to attain this.

Citizen engagement is also an important factor to be considered under this dimension. The level of participation by the public depends on the depth of its engagement in matters relative to governance, formulation of policies, program design and budgeting, and delivery of service. Brian Marson (2005) classified the depth of engagement of the public into four categories, namely, (a) *communication*, or the one-way communication of the government with the citizens; (b) *consultation*, or the act of listening to and considering the citizens' view; (c) *engagement/partnership*, which is a two-way dialogue with citizens who can influence the outcome; and (d) *empowerment/co-managing*, or giving the citizens or representative groups the authority to make a decision.

Hence, the IMP on this dimension of service delivery will adopt the following ladder or levels of citizen engagement: informing, consulting, partnership, and co-managing.

Table 1: Service Delivery Dimension and Its Integrity Measures

Desired Outcome: Delivery of services and interaction with external stakeholders made responsive and more transparent		
Integrity Elements	Values	<ul style="list-style-type: none"> Responsive to the public Nationalism and patriotism
	Governance Principles	<ul style="list-style-type: none"> Efficiency and effectiveness Responsiveness Non-discrimination and equality
	Standards	<i>Section 2, RA 9485 ARTA</i> <ul style="list-style-type: none"> Take appropriate measures to promote transparency in each agency with regard to the manner of transacting with the public, which shall encompass a program for the adoption of simplified procedures that will reduce red tape and expedite transactions in government.
		<i>Section 6, RA 9485 ARTA</i> <ul style="list-style-type: none"> All government agencies including departments, bureaus, offices, instrumentalities, or government-owned and/or controlled corporations, or local government or district units shall set up their respective service standards to be known as the Citizen's Charter.

	<p><i>Article 10, Public Reporting, UNCAC</i></p> <ul style="list-style-type: none"> To take measures as may be necessary to enhance transparency in its public administration, including its organization, functioning and decision-making processes, where appropriate.
	<p><i>Article 13, Civil Society Participation, UNCAC</i></p> <ul style="list-style-type: none"> Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. <i>Guidelines on CSO Participation in the IMP.</i>

Institutional Leadership

At the heart of the IMP are the leaders principally involved in all stages of program implementation. In institutions imbued with values, leadership plays a crucial role in setting the tone for integrity. An ethical leader lays the ground for ethical conduct and steers the employees toward practicing integrity. Institutional leadership includes senior officials and middle managersⁱⁱⁱ at all hierarchical levels of the institution from central to field office levels.

The head of institution should provide leadership in all stages of the implementation of the IMP and must clearly demonstrate a full commitment to the program. He/she must take the lead in the initial stages involving the formulation of a code of ethics and conduct and the allocation of resources to the initiative.

Table 2: Institutional Leadership Dimension and Its Integrity Measures

Desired Outcome : Ethical leadership wherein integrity is visibly practiced and promoted by senior officials and middle managers		
Integrity Elements	Values	<ul style="list-style-type: none"> Political neutrality Simple living
	Governance Principles	<ul style="list-style-type: none"> Strategic vision Equity
		<p><i>Section 6, Chapter 2, Book IV, Administrative Code of 1987</i></p> <ul style="list-style-type: none"> Authority and Responsibility of the Secretary. - The authority and responsibility for the exercise of the mandate of the Department and for the discharge of its powers and functions shall be vested in the Secretary, who shall have supervision and control of the Department.
		<p><i>Section 1, Article XI, 1987 Constitution and Section 32, Chapter 9, Book 1 of the Administrative Code of 1987</i></p> <ul style="list-style-type: none"> Public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act with patriotism and justice, and lead modest lives.

	Standards	<p><i>Section 102 and Section 124 of Presidential Decree No. 1445</i></p> <ul style="list-style-type: none"> It shall be the direct responsibility of the agency head to install, implement, and monitor a sound system of internal control.
		<p><i>Section 1, Chapter 1, Subtitle B, Book V of the Administrative Code of 1987</i></p> <ul style="list-style-type: none"> All resources of the government shall be managed, expended or utilized in accordance with law and regulations and safeguarded against loss or wastage through illegal or improper disposition to ensure efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned.
		<p><i>3^o par of Section I Creation of Internal Audit Service, Administrative Order 70</i></p> <ul style="list-style-type: none"> The Internal Audit Service shall be provided with sufficient support from the top management to gain the cooperation/confidence of the auditee.
		<p><i>Items. 1-3 of Article 8 Codes of conduct for public officials, UNCAC</i></p> <ul style="list-style-type: none"> In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system (Item 1); In particular, each State Party shall endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions (Item. 2); and 3. For the purposes of implementing the provisions of this article, each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, take note of the relevant initiatives of regional, interregional and multilateral organizations, such as the International Code of Conduct for Public Officials contained in the annex to General Assembly resolution 51/59 of 12 December 1996.

Financial, Procurement and Asset Management

The Revised Administrative Code of 1987 (EO No. 292) requires that all government resources be safeguarded against loss and wastage. This should be the core principle behind the financial, procurement and asset management dimension in the context of building integrity. Accordingly, compliance with laws, rules and regulations, as well as with generally accepted standards and procedures, is an imperative.

Table 3: Financial, Procurement and Asset Management Dimension and Its Integrity Measures

Desired Outcome: All government resources are safeguarded against improper use, loss and wastage and savings from efficient operations realized		
Integrity Elements	Values	<ul style="list-style-type: none"> Commitment to democracy
	Governance Principles	<ul style="list-style-type: none"> Accountability Transparency
		<ul style="list-style-type: none"> <i>General Appropriations Act</i> <i>Government Auditing Code of the Philippines (PD 1445)</i> <i>New Government Accounting System (Last Update) and related COA Circulars</i> <i>COA Circulars, Resolutions and Memoranda</i> <i>Government Accounting and Auditing Manual</i> <i>DBM Circulars</i> <i>Government Procurement and Policy Board (GPPB) Circulars</i> <i>Local Government Code of 1991RA 7160)</i> <i>Government-owned or controlled corporations' Laws on Asset Management</i>
		<p><i>Section 1, Chapter 1, Subtitle B, Book V of the Administrative Code of 1987</i></p> <ul style="list-style-type: none"> All resources of the government shall be managed, expended or utilized in accordance with law and regulations and safeguarded against loss or wastage through illegal or improper disposition to ensure efficiency, economy and effectiveness in the operations of government.
	Standards	<p><i>Implementing Rules and Regulations of the Government Procurement Reform Act (RA 9184)</i></p> <ul style="list-style-type: none"> Article 2: Procurement Planning Article 3: Procurement by Electronic Means Article 4: Competitive Bidding <p><i>Article 9, Public procurement and management of public finances, UNCAC</i></p> <ul style="list-style-type: none"> Each State Party shall, in accordance with the fundamental principles of its legal system, take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, that are effective, inter alia, in preventing corruption. Such systems, which may take into account appropriate threshold values in their application, shall address, inter alia: <ol style="list-style-type: none"> a) The public distribution of information relating to procurement procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential tenderers sufficient time to prepare and submit their tenders; b) The establishment, in advance, of conditions for participation, including selection and award criteria and tendering rules, and their publication; c) The use of objective and predetermined criteria for public procurement decisions, in order to facilitate the subsequent verification of the correct

		application of the rules or procedures; d) An effective system of domestic review, including an effective system of appeal, to ensure legal recourse and remedies in the event that the rules or procedures established pursuant to this paragraph are not followed; e) Where appropriate, measures to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and training requirements.
		<p><i>Article 9, Public procurement and management of public finances, UNCAC</i></p> <ul style="list-style-type: none"> Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances.

Human Resource Management and Development

The guiding principle behind public sector human resource management is the promotion of merit and fitness—that the best person is appointed to the right position. The recruitment and promotion of personnel must therefore be based on merit and fitness and, thus, shall require a selection process independent of external or political influence.

Similarly, officials and employees in the public sector are expected to adhere to integrity standards and, thus, should be guided and trained to be able to do so. In this regard, one essential function is the provision of values-based training and counseling. This development aspect recognizes the need to build the capacity of individual personnel to make ethical decisions. The outcome is that employees become capacitated to effectively adhere to integrity standards.

Table 4: Human Resource Management and Development Dimension and Its Integrity Measures

Desired Outcome: Employees are selected and promoted based on merit and fitness.		
Integrity Elements	Values	<ul style="list-style-type: none"> Professionalism
	Governance Principles	<ul style="list-style-type: none"> Equity Rule of law
		<p><i>Section 1, Article XI, 1987 Constitution and Section 32, Chapter 9, Book 1 of the Administrative Code of 1987</i></p> <ul style="list-style-type: none"> Public office is a public trust. Public officers and employees must, at all times, be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency; act with patriotism and justice, and lead modest lives.
		<p><i>Section 2, RA 6713</i></p> <ul style="list-style-type: none"> It is the policy of the State to 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.

	Standards	<p><i>Section 4, RA 6713</i></p> <ul style="list-style-type: none"> • Every public official and employee shall observe the following as standards of personal conduct in the discharge and execution of official duties: (a) Commitment to public interest. (b) Professionalism. (c) Justness and sincerity. (d) Political neutrality. (e) Responsiveness to the public. (f) Nationalism and patriotism. (g) Commitment to democracy. (h) Simple living.
		<p><i>Section 21, Chapter 5, Book V of the Administrative Code of 1987</i></p> <ul style="list-style-type: none"> • Recruitment and Selection of Employees.—(1) Opportunity for government employment shall be open to all qualified citizens and positive efforts shall be exerted to attract the best qualified to enter the service. Employees shall be selected on the basis of fitness to perform the duties and assume the responsibilities of the positions.
		<p><i>Article 7, Public Sector, UNCAC</i></p> <ul style="list-style-type: none"> • Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials: <ul style="list-style-type: none"> a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude; b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions; c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party; d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.” • Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.
		<p><i>CSC Circulars Resolutions and Decisions</i> <i>CESB Circulars, Resolutions and Decisions</i></p>
		<p><i>Article 8, United Nations Convention Against Corruption</i></p> <ul style="list-style-type: none"> • In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system.

	<ul style="list-style-type: none"> • In particular, each State Party shall endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions. • Each State Party shall consider taking, in accordance with the fundamental principles of its domestic law, disciplinary or other measures against public officials who violate the codes or standards established in accordance with this article.
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Corruption Risk Management

Corruption risk management is the active identification of the vulnerabilities in an existing organizational system that may lead to breaches in integrity, and systematically addressing the risks to integrity. It involves identifying the risk, evaluating the likelihood of its occurrence and/or its possible impact, determining the risk owners and the schemes involved, examining the existing mitigating controls and evaluating their strengths and weaknesses, proposing policies and strategies to reduce or overcome the vulnerabilities and risks, and regularly monitoring these risks. This engages not only the head of institution, who is primarily responsible for establishing internal control, but also the senior officials who, in behalf of the top management, are responsible for cascading programs and implementing controls in operations throughout all operating units in the central and field offices. The desired outcome is that corruption risks are managed.

Table 5: Corruption Risk Management Dimension and Its Integrity Measures

Desired Outcome: Corruption control measures are proactively installed and implemented by accountable officers in corruption risk areas identified		
Integrity Elements	Values	<ul style="list-style-type: none"> • Commitment to public interest
	Governance Principles	<ul style="list-style-type: none"> • Accountability • Participation • Consensus orientation
	Standards	<p><i>Preliminary Title General Provisions, Section 4, PD 1445</i></p> <ul style="list-style-type: none"> • Financial transactions and operations of any government agency shall be governed by the fundamental principles set forth hereunder, to wit: <ul style="list-style-type: none"> ○ No money shall be paid out of any public treasury of depository except in pursuance of an appropriation law or other specific statutory authority. ○ Government funds or property shall be spent or used solely for public purposes. ○ Trust funds shall be available and may be spent only for the specific purpose for which the trust was created or the funds received. ○ Fiscal responsibility shall, to the greatest extent, be shared by all those exercising authority over the financial affairs, transactions, and operations of the government agency. ○ Disbursements or disposition of government funds or property shall invariably bear the approval of the proper officials.

		<ul style="list-style-type: none"> ○ Claims against government funds shall be supported with complete documentation. ○ All laws and regulations applicable to financial transactions shall be faithfully adhered to. ○ Generally accepted principles and practices of accounting as well as of sound management and fiscal administration shall be observed, provided that they do not contravene existing laws and regulations.
		<ul style="list-style-type: none"> • <i>An Act Establishing the Philippine Quality Award in Order to Encourage Organizations in both the Private and Public Sectors to attain excellence in quality in the production and/or delivery of their xxx (RA 9013)</i> • <i>Institutionalizing the Quality Management System within the government (EO 605)</i> • <i>DBM Circular No. 2008-8 National Guidelines on Internal Control System</i>
		<i>Chapter II, Article IX of UNCAC – Preventive Measures</i> <ul style="list-style-type: none"> • <i>public procurement and management of public finances</i> • <i>proper management of government resources and affairs</i>

Internal Reporting and Investigation

Internal reporting and investigation guards the institution’s integrity through detection and deterrence. It represents a reportorial system to immediately detect misconduct and allow the institution to act on the same, and serves as the basis for an effective and efficient administrative disciplinary mechanism. The rationale is that a reporting and investigation system has a deterrent effect on corruption. The desired outcome is that breaches to integrity standards are detected, reported and penalized.

Table 6: Internal Reporting and Investigation Dimension and Its Integrity Measures

Desired Outcome: Breaches to integrity standards are detected, reported and penalized.		
Integrity Elements	Values	<ul style="list-style-type: none"> • Justness and sincerity
	Governance Principles	<ul style="list-style-type: none"> • Accountability • Rule of law
	Standards	<i>Section 6, Chapter 2, Book IV, Administrative Code of 1987</i> <ul style="list-style-type: none"> • Authority and Responsibility of the Secretary. - The authority and responsibility for the exercise of the mandate of the Department and for the discharge of its powers and functions shall be vested in the Secretary, who shall have supervision and control of the Department.
		<i>Section 7, Chapter. 2, par 5, Book IV, Admin. Code of 1987</i> <i>Section 30, EO 292 Authority to Appoint and Discipline</i> <ul style="list-style-type: none"> • The head of bureau or office shall appoint personnel to all positions in his bureau or office, in accordance with law. In the case of the line bureau or office, the head shall also

		<p>appoint the second level personnel of the regional offices, unless such power has been delegated. He shall have the authority to discipline employees in accordance with the Civil Service Law.</p>
		<p><i>Section 7, Memorandum Circular No. 19 s. 1999, Revised Uniform Rules on Administrative Cases in the Civil Service</i></p> <ul style="list-style-type: none"> • Jurisdiction of Heads of Agencies. – Heads of Departments, agencies, provinces, cities, municipalities and other instrumentalities shall have original concurrent jurisdiction, with the Commission, over their respective officers and employees.
		<p><i>Article 8, UNCAC</i></p> <ul style="list-style-type: none"> • Each State Party shall also consider, in accordance with the fundamental principles of its domestic law, establishing measures and systems to facilitate the reporting by public officials of acts of corruption to appropriate authorities, when such acts come to their notice in the performance of their functions.
		<p><i>Article 32, UNCAC</i></p> <ul style="list-style-type: none"> • Each State Party shall take appropriate measures in accordance with its domestic legal system and within its means to provide effective protection from potential retaliation or intimidation for witnesses and experts who give testimony concerning offences established in accordance with this Convention and, as appropriate, for their relatives and other persons close to them.
		<p><i>Article 33, UNCAC</i></p> <ul style="list-style-type: none"> • Each State Party shall consider incorporating into its domestic legal system appropriate measures to provide protection against any unjustified treatment for any person who reports in good faith and on reasonable grounds to the competent authorities any facts concerning offences established in accordance with this Convention.

Part II. IMP Implementation Guide

A. Setting up an Integrity Management Committee

As noted in Part I Section C, the IMC shall manage the IMP implementation within its jurisdiction. The head of institution shall constitute the IMC in the following manner:

Step 1. Identify the committee members.

As chairperson of the IMC, the head of institution selects the committee members from within the institution. The composition of the committee is outlined in Part I Section C. The members of the committee must be individuals of known integrity.

Step 2. Identify a relevant CSO partner

Select a relevant CSO partner in accordance with PMC Guidelines for CSO Participation (see Annex 1).

Step 3. Officially designate the IMC members

The head of institution shall formally designate the committee members by issuing a special order or a management directive for that purpose. The order or directive shall also include the functions of the IMC as outlined in Part I Section C as well as such other institution-specific guidelines as the term of membership in the committee.

Step 4. Convene the first IMC meeting

The head of institution shall convene the first IMC meeting. The PMC, through its representative, shall provide the committee members with an overview of the IMP and an ample orientation on their functions, duties and responsibilities.

The following table spells out the steps in setting up an IMC:

Table 7: Steps for Setting up an Integrity Management Committee

Steps	Tasks Listing	Person-in-Charge	Expected Outputs	Templates	Timeframe
1. Identify committee members from within the institution	<ul style="list-style-type: none">Identify vice-chairperson; andIdentify members from key offices.	Head of institution or designate	List of IMC members		Week 2- Month 1 from issuance of directive from OP-ODESLA and OMB (Steps 1-4, within 1-2 weeks; Step 4, provide 2 week-1 month notice to PMC and for coordination)
2. Identify a relevant CSO partner as member of the IMC	<ul style="list-style-type: none">Review engagement with CSOs;Identify most reliable, trusted, and relevant partner;If partnership with CSO is not current, identify a CSO partner and coordinate with CSO for consent.	IMC vice-chairperson			
3. Officially designate IMC members and secretariat	<ul style="list-style-type: none">Draft special order/ management directive;Issue special order/ directive.	IMC vice-chairperson or designate for head of institution's signature	Special order		
4. Convene the first IMC meeting	<ul style="list-style-type: none">Coordinate and set a date;	Head of institution	Program for IMC meeting		

	<ul style="list-style-type: none"> ▪ Obtain approval for meeting; ▪ Draft Meeting Agenda/ Program Timetable; ▪ Coordinate logistical requirements; ▪ Send formal invitation to PMC; ▪ Send notice of meeting; ▪ Select facilitator and documenter; and ▪ Hold meeting. 	<p>o lead the meeting with coordination with and logistical support from IMC secretariat .</p>			
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B. Conducting an Integrity Assessment

Before developing an Integrity Management Plan, the institution shall first conduct an integrity assessment. This will aid in systematically identifying the priority areas in addressing corruption vulnerabilities and integrity violations within the institution. Also, it points out the weaknesses of the system that might present a risk or an opportunity for corruption to occur. Essentially, the assessment involves some degree of evaluation of the likelihood of corruption occurring and/or its possible impact. Its purpose is to evaluate the problems and risks so that for the adoption of integrity measures may be put in place in the form of policies, programs and strategies that effectively manage said problems and risks.

The following are the steps for conducting an integrity assessment:

Step 1. Identify the critical systems in the institution.

The head of institution shall direct all offices to conduct an inventory of all operations based on the institution’s organizational structure. Together with senior managers, the head of institution, preferably in a management committee meeting, shall identify and prioritize the critical systems for integrity assessment that heavily affect the performance of mandates and the effective functioning of the institution.

Using the template below, identify and rank all critical systems in numerical order with “1” as most critical and, whatever is the last number, as the least critical. The ranking shall be based on three minimum criteria: high impact, high developmental and pro-poor. The result of the ranking shall be approved by the head of institution. At least three (3) critical systems so approved shall then be subjected to integrity assessment and to integrity management planning for the first five (5) years of IMP implementation.

Template No. 1 (Critical systems for assessment)

Operation Systems	Minimum Criteria			Ranking
	High Impact	High Developmental	Pro - Poor	

Step 2. Conduct a systems review at the division/office level

The head of institution shall issue a directive to concerned senior managers who own and are operating the critical systems, for the conduct of an integrity assessment through a participatory systems review within their respective divisions/offices. The systems review entails the step-by-step account of the processes being undertaken by a division/office in the performance of a specific function of the institution. The output of the systems review includes the system flowchart or process maps, the corresponding description of the system with specifications of each step, its objectives, the accountable officer/staff, the input needed, the output, the period of time within which a particular step should be completed, and observations on existing gaps or flaws. The systems review is embodied in the Process Matrix (**Template 2**).

Template 2: Process Matrix

(a) Step	(b) Description of the Steps	(c) Accountable Officer/Staff	(d) Inputs Needed (incoming documents)	(e) Output (outgoing documents)	(f) Duration	(g) Remarks (gaps, issues, etc.)

- a. *Step*: List down the action or part of the process under review.
- b. *Description*: A statement of the method, procedure or routine involved in a particular step in the process.
- c. *Accountable officer/staff*: Identify the officer/staff responsible and accountable for a particular step in the process.
- d. *Inputs needed*: List down the actions and items including the documents needed in order to carry out the given step.
- e. *Output*: List down the actions and items including the documents resulting from the step undertaken.
- f. *Duration*: Determine the period of time within which a particular step should be completed.
- g. *Remarks*: State the existing gaps, issues or flaws observed by the process owner or the management committee in a particular step undertaken.

Step 3. Convene an Integrity Assessment Workshop for the Corruption Risk Assessment.

After the completion of the Process Matrix, the institution's IMC shall convene a Corruption Risk Assessment workshop on at least three (3) critical systems. The workshop shall be guided by a PMC representative, and shall be attended by all members of the IMC and representatives from within the institution involved in said critical systems and processes. The participants shall be advised to equip themselves with copies of documents for reference including those pertaining to context (*i.e.* mandate, mission and vision, strategic direction, stakeholders, etc.), to processes (*i.e.* flowcharts, citizen's charter, etc.), and to incidence of corruption/violation of integrity standards. The IMC shall designate a facilitator and a documenter for the workshop.

Step 4. Complete the Corruption Risk Register for priority areas.

The participants shall identify the relevant steps in a critical process that have observable issues, gaps or concerns involving integrity or corruption vulnerability. These steps in the critical process shall be entered into the Corruption Risk Register (**Template 3**).

Template 3: Corruption Risk Register

Applicable mandate:											
(a) Critical Process /Steps	(b) Accountable Officer/ Staff	(c) Corruption Risk	(d) Corruption Scheme	(e) Risk Rating			(f) Mitigating Control (H,M,L)		(g) Residual Risk		(h) Integrity Measure s
				Probabi lity (H, M, L)	Potenti al Impact (H, M, L)	Inhere nt Risk	Co ntro ls	Rati ng	Ris k	Rati ng	

Source: Adopted from *The Global Compact: A Guide for Anti-corruption Risk Assessment*

- a. *Critical process/steps*: List down the critical processes and the stages thereof that have potential institutional or leadership vulnerabilities and which might encourage or facilitate corrupt practices or violate integrity standards.
- b. *Accountable officer/staff*: Identify the officer or staff responsible and accountable for a particular step in the process.
- c. *Corruption risks*: Identify the corruption risks. Corruption risk is any integrity risk or corruption issue, deducible from observable gaps, issues, concerns and flaws in the system which, when not adequately managed and addressed, may ripen into actual corruption (see Template 2 - Process Matrix, and Box 1 for examples of corruption risks). Corruption risks come in different forms, but always involves abuse of entrusted power for private gain, e.g. bribery, information trading or brokering, collusion, conflict of interest, patronage, favoritism, etc.

Box 1: Examples of Corruption Risks

Corruption risk may take different forms. Some of the more popular forms are:

1. Bribery - This is the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for an action which is illegal, unethical, or a breach of trust. Bribery can be financial or in-kind. The institution should consider the most prevalent forms of bribery in its risk assessment, including kickbacks, facilitation payments, gifts, expenses, political and charitable contributions, sponsorships, and promotional expenses.
2. Conflict of interest - A conflict of interest occurs where a person or entity with a duty to the institution has a conflicting interest, duty, or commitment. Having a conflict of interest is not in itself corrupt, but corruption can arise where a director, employee, or contracted third party breaches the duty due to the entity by acting in regard to another interest.
3. Collusion - A deceitful agreement or compact between two or more persons, for the one party to bring an action against the other for some evil purpose, as to defraud a third party of his right (Black's Law Dictionary).

- d. *Corruption scheme*: For the high-risk areas, describe the associated scheme that makes possible the occurrence of the identified corruption risk, including the source, the cause or the root thereof, and the reasons and means for its possible occurrence.
- e. *Risk rating*: Assign a rating based on the criteria provided in Table 8:

Table 8: Risk Criteria

Probability Level /Likelihood		Criteria
High (H)	11 -15	Risk will be expected to occur several times or continuously
Medium (M)	6 -10	Risk will likely occur
Low (L)	1 - 5	Risk is unlikely to, but can possibly occur
Potential Impact Significance Level		
High (H)	11 -15	Consequence of the risk happening is long lasting and would require substantial resources to repair
Medium (M)	6 - 10	Consequence of the risk happening can be remedied with available resources and within a short period of time
Low (L)	1 -5	Consequence of the risk happening can be remedied with minimal resources and within a short period of time
Inherent Risk		Probability rating plus Impact rating divided by two $\frac{PR+IR}{2}$

1. Where there is *probability* of a corruption scheme being perpetrated by an individual or a group of individuals acting in collusion with each other, rate whether said probability is high, medium or low.
2. *Potential impact* covers a wide range of possible impacts including financial, legal, operational and reputational. Rate whether the potential impact is high, medium or low.
3. *Inherent risk* represents the overall risk level of each corruption scheme without consideration to existing controls. It is these areas where mitigating controls will likely be based. Rate accordingly, with H-high, M-medium and L-low. The computation of inherent risk is derived through a point system applied to both the probability and impact ratings. Low represents rating from 1-5, Medium 6-10, High 11-15. The final inherent rating is derived by dividing the total rating of the probability risk and the impact risk.

In addition to the tool provided in Template 3, other process-specific assessment tools following international standards may be used for a deeper and more accurate analysis. In the procurement process, for instance, the *Government Procurement Policy Board's (GPPB) Agency Procurement Compliance and Performance Indicator Self-assessment (APCPI)* is best used. The Resolution Approving and Adopting the Agency Procurement Compliance and Performance Indicators as Standard Procurement Monitoring and Assessment Tool can be found on <http://www.gppb.gov.ph/issuances/Resolutions/10-2012.pdf>; whereas the actual tool may be accessed at www.gppb.gov.ph/issuances/Resolutions/10-2012A.xls.^{iv}

- f. *Mitigating control*: All instituted risk mitigating efforts, activities, controls, and processes shall be commensurate to the probability and potential outcomes of misconduct as well as to the overall inherent risk of the corruption scheme. The assessment of existing mitigating controls, which may come in the form of policies, systems, programs, procedures and other forms of initiative, may be made based on how well the controls are designed, implemented and operated to reduce corruption risks and to obliterate corruption schemes. The effectiveness of these controls depends on how carefully they are undertaken and implemented. Also, the gaps, issues, concerns and flaws in systems, processes or steps identified in the Process Matrix may provide helpful guide in the assessment. Adjectival rating that maybe assigned are as follows: High – effective; Medium – partially effective; and Low – ineffective.
- g. *Residual risk*: The most significant aspect of the Corruption Risk Register is the identification of residual risks. Despite the existing mitigating controls, the possibility remains for a corruption risk or scheme to occur because of weaknesses and flaws in the control system itself. Residual risks must be specifically described, and then assigned with specific adjectival ratings based

on effectiveness as above. The prioritization of residual risks would depend on said rating. Corruption risks and schemes with no mitigating controls shall be included in the prioritization of risks to be acted upon.

- h. *Recommended integrity measures*: Based on the assessment of the mitigating controls and the existence of residual risks, the participants must identify specific responses that might turn residual risks around to enhance existing policies, internal controls, systems and processes for an increased risk and scheme mitigation or eradication. These responses take the form of integrity measures or key initiatives representative of any or all of the six IMP dimensions aiming to reduce, if not prevent, corruption from occurring. These may include measures or initiatives on 1) service delivery, 2) institutional leadership, 3) human resource management, 4) financial and asset management, 5) corruption risk management and 6) internal reporting and investigation. It is important to consider the elements of integrity measures, such as personal and institutional values, principles of conduct, and domestic and international standards that need to be reinforced through said measures.

Step 5. Determine the relevant dimension of corruption risks and develop integrity measures based on dimension values, principles and standards to address residual risks.

For column (h) of Template 3, the workshop participants shall determine the relevant dimension of the identified corruption risks, with due regard to mitigating controls and residual risks. In developing integrity measures, the institution's values, principles and standards must always be considered. A sample list of values, principles and standards is provided in Table 1.

Step 6. Draft an Integrity Assessment Report

After completing the integrity assessment, the IMC shall summarize its findings in an Integrity Assessment Report (**Template 4**). The report shall then be submitted to the PMC.

Template 4: Assessment Report Template

Name of Public Sector Institution

Background (max. of 2 pages)

- Mandates of the institution
- Organization Performance Indicators Framework (OPIF)/Agency Logical Framework
- Brief description of recent past initiatives of the institution in implementing anti-corruption or integrity development programs and major accomplishments

Summary assessment of corruption vulnerabilities of the institution (max. of 5 pages)

- General description of the approved critical operation systems for the five year implementation period
- Narrative assessment of the major/priority corruption risks on mandated operations of the institution with no mitigating controls and those with residual risks
- Committed priority Integrity Measures that correspond to the IMP dimensions and elements for consideration in the development of those measures such as personal and institutional values, principles of conduct and domestic and international standards

Overview of current challenges

- IMP Program Organization, Implementation and Cascading, Manpower Complement, Funding, etc.

Technical Assistance needed

- Capacity building areas, monitoring and evaluation, etc.

IMP Implementation Plan

Annexes

- Critical Systems for Assessment (Template 1)
- Process Matrix (Template 2)
- Corruption Risk Register (Template 3)
- IMC Program Timetable of Activities (Figure 2)

In summary, the following are the steps in conducting a CRA:

Table 9: Steps in Conducting an Integrity Assessment

Steps	Tasks Listing	Person-in-Charge	Expected Outputs	Templates	Timeframe
1. Identify critical systems in the institution	<ul style="list-style-type: none"> ▪ Include in the agenda of management committee identification of critical systems in the institution ▪ Discuss in the management committee critical systems for systems review 	IMC	<ul style="list-style-type: none"> ▪ List of critical systems that would be subjected for the systems review 	Template 1	Month 1-2 (2 weeks)
2. Conduct systems review at the division/office level	<ul style="list-style-type: none"> ▪ Inform the unit heads that will be required to conduct a systems review ▪ Organize a series of workshops for the systems review ▪ Complete the process mapping of the systems 	IMC/Selected Unit Heads	<ul style="list-style-type: none"> ▪ Process flowcharts/ maps ▪ Completed process matrix 	Template 2	
3. Convene an Integrity Assessment Workshop	<ul style="list-style-type: none"> ▪ Coordinate and set a date with IMC; ▪ Identify participants in the workshop; ▪ Obtain approval for the workshop ▪ Coordinate logistical requirements ▪ Coordinate with IMP Technical Secretariat for a representative who will guide the assessment 	IMC	<ul style="list-style-type: none"> ▪ List of participants; ▪ Order for the convening of the workshop and mandatory attendance of participants; ▪ Presentation and reference materials 		Month 2 (2 weeks)

	<ul style="list-style-type: none"> ▪ Invite all participants and request to bring reference materials; ▪ Designate a facilitator and a documenter; ▪ Prepare printed materials (Handbook for resource persons), equip; and ▪ Hold assessment workshop. 				
4. Complete the Corruption Risk Register for priority areas	<ul style="list-style-type: none"> ▪ Use tool for analyses during the workshop 	IMC / Workshop participants	<ul style="list-style-type: none"> ▪ Completed Corruption Risk Register 	Template 3	1-2 days
5. Determine the relevant dimension for corruption risks and develop Integrity Measures based on dimension standards to address the residual risks	<ul style="list-style-type: none"> ▪ Evaluate the problems/ risks 	IMC/ workshop participants	<ul style="list-style-type: none"> ▪ List of integrity measures/ key initiatives related to the problems/ risks in the processes 	Template 3	
6. Draft an Integrity Assessment Report	<ul style="list-style-type: none"> ▪ Draft report ▪ Submit report to PMC 	IMC documenter and report writer	Integrity Assessment Report	Template 4	7 days

C. Developing an Integrity Management Plan (including Framework and Measures)

Proceeding from the integrity assessment, the institution shall plan the scope of the program or of the project intervention for an effective IMP implementation. The IMP provides two templates for planning, namely, the Integrity Management Plan Logical Framework and the Implementation Plan.

Based as it is on a logical framework, the Integrity Management Plan Logical Framework is a tool for developing a strategic response to the results of the integrity assessment and for working towards integrity objectives. It details the institution's objectives, outputs and activities that address priority areas in pursuit of its anti-corruption agenda and integrity objectives. While the focus of the integrity assessment

is on specific processes or steps, the intervention takes into consideration the whole corruption scheme. Corruption can be complex, spanning several steps or processes or even crossing over to other institutions. It can be well-entrenched, and might involve a wide array of modus operandi. Thus, integrity measures must always consider the defined critical personal and institutional values, principles of conduct, and relevant or applicable standards, in setting the direction of integrity management efforts within the institution.

The Integrity Management Plan Logical Framework has the following components: the Integrity Management Program Logic, the Indicators for the Result Areas Identified (*i.e.*, goal, purpose, output), the Means of Verification, and the Risks and Assumptions.

The following are the steps in developing an Integrity Management Plan (including the design of the framework and integrity measures):

Step 1. Convene a workshop for developing a 5-year Integrity Management Plan Logical Framework.

Based on the integrity assessment, the institution’s IMC should convene a workshop for the development of its Integrity Management Plan Logical Framework. It is important that the head of institution sets the tone for the workshop which shall be attended by all members of the IMC and by representatives from the major offices in the institution. Participants shall be equipped with relevant data or information that can be used as reference for the plan, such as a copy of the integrity assessment results, administrative/legal cases, IDR or IDAP documents, and materials on the Organizational Performance Indicator Framework and Performance Governance System.

Step 2. Complete the Integrity Management Plan Logical Framework

Participants at the workshop shall fill out the Integrity Management Plan Logical Framework form (**Template 5**) during discussions and forums which may be done either in plenary or in groups.

Template 5: Integrity Management Plan Logical Framework

	(a) Program Logic/ Narrative	(b) Indicators	(c) Means of Verification	(d) Assumptions/ Risks
(e) Goal				
(f) Purpose				
(g) Outputs (Integrity Measures)				
(h) Activities				

- a. *Program logic* – make a narrative on the direction of the needed intervention in terms of goal, purpose, outputs and activities.
- b. *Indicators* - specify the performance standard needed to achieve the goal, the purpose and the outputs. They should specify the target group, quantity, quality,

and time and location of activities. Quantitative indicators are reported in terms of curves (mean or median) or percentage. Qualitative indicators might measure perception (e.g. level of public trust) or describe a behavior (e.g. level of understanding of a policy). Each integrity measure shall have at least one indicator.

The Integrity Management Plan Logical Framework shall also serve as the basis for monitoring and evaluation. The indicators contained therein shall be further fleshed out in the Monitoring and Evaluation Plan template (**Template 7**) to monitor the progress of the institution.

- c. *Means of verification* - sources of data or information for each indicator including documents, reports or accountable people.
- d. *Assumptions/risks* – risks are conditions that might prevent the institution from achieving its goal or completing its outputs, whereas assumptions are conditions that must exist for intervention to succeed but are outside the direct control of institution. Assumptions shall be identified from the bottom (inputs) to the top (goals) of the Logical Framework and shall be worded as positive conditions.

Some examples of assumptions are:

- Relevant laws will be approved by year _____.
 - Employees trained on internal audit will remain in service.
 - Supplies are delivered on time.
- e. *Goal* - a long-term objective to which the interventions will contribute. In identifying a goal, consider the results of the integrity assessment (including critical problem areas) and the area that would most benefit the institution's constituents and stakeholders.
 - f. *Purpose* - describe the immediate intended effect of a given intervention or integrity measure once completed.
 - g. *Outputs* - are actual and tangible services or products that must be accomplished within the initial 5-year timeframe of the IMP. These are integrity measures such as policies, systems, standards and structures, with corresponding means to operationalize the same, to address integrity issues, gaps in the system and corruption risks
 - h. *Activities* - a set of actions needed to obtain the outputs and deliver the integrity measures. These are subject to implementation planning.

In choosing activities, only those which are necessary to produce the anticipated outputs under the program or project should be considered. Activities should be

stated in terms of actions to be taken rather than in terms of completed outputs. They must be able to tackle the risks or the root cause of the problem and to ensure that conditions exist to maintain the assumptions.

For instance, for the values, principles and standards in Table 1, integrity measures against collusion with suppliers could include altering decision-making processes, training of personnel and lifestyle check. In Template 6, these measures shall then be written as outputs and restated as “procurement decisions to be made transparent,” “discretionary procurement decisions to be reduced,” “procurement personnel to train in GPPB policies and practices,” and “conduct lifestyle check on key personnel.” Following these integrity measures, the activities may include posting of procurement decisions on multiple websites, regular coordination with the GPPB, conducting training for procurement services, requiring a signed declaration of integrity from procurement personnel, implementing a communications plan, orientation of personnel on lifestyle check, etc.

In the same example, inasmuch as the main corruption risk is related to procurement, the focus must be on implementing procurement reforms within the 5-year period of the IMP, particularly by reducing the cost of procurement especially in a highly procuring institution. Additional integrity measures may include strengthening the internal audit process and entering into an integrity pact or pledge with ethical business entities. Integrity pacts or pledges should contain the institutional values, principles and standards. As a proposed integrity initiative of the country’s private sector, the institution may also choose to transact only with accredited business entities who have signed an integrity pledge. As noted in Section B, the APCPI may provide guidance relative to international standards on the procurement process and to corresponding measures that may be adopted.

Furthermore, corruption risks might prompt the institution to focus on developing or automating a case management and tracking system for its IMP. Such highly-technical program must likewise be fitted with integrity measures that could promote its desired values, principles and standards. For example, a code of conduct on case handling may be adopted. Also, if the concern is extortion, an efficient reporting mechanism may be developed, promoted and implemented.

Step 3. Submit the Integrity Management Plan Logical Framework to the PMC.

Along with the Integrity Assessment Report, the IMC shall submit the institution’s completed Integrity Management Plan Logical Framework to the PMC, through the Technical Secretariat.

Step 4. Recommendation of the PMC.

During the pendency of the review of the Integrity Management Plan Logical Framework, the IMC may proceed with the implementation thereof without awaiting further recommendation from the PMC.

Step 5. Prepare Implementation Plans by office/unit.

Based on the completed Logical Framework, the workshop participants shall then prepare the Implementation Plan (**Template 6**).

Template 6: Implementation Plan

Integrity Measure	Activities	Person Responsible	Needed Resources	Implementation Period

Implementation of integrity measures necessarily entails not only the delivery of corresponding activities but also the mobilization of resources (inputs) in the form of funds, personnel, materials and services needed to carry out said activities. Inputs must realistically reflect how much resource is necessary to produce the intended outputs within an adequate and realistic timeframe for the conduct of activities. These aspects must be fleshed out in the Implementation Plan, together with the persons responsible for those activities. This is under the assumption that if the activities are properly identified, planned and implemented, integrity objectives will be achieved.

The Implementation Plan is carried out on the level of an office or unit within the institution. In selecting the responsible persons and/or units, the effort or amount of work required to perform the activities must be considered.

Inasmuch as the IMP encourages linking targets of integrity measure to performance-based bonus and similar incentive schemes to facilitate implementation, it is important to designate the appropriate personnel to conduct each activity and incorporate the targets into his/her individual performance assessment as well as into that of the unit or office concerned.

The Implementation Plan may not be completed during the workshop, but it must be submitted to the IMC on or before a specified deadline.

In sum, the following are the steps in developing an Integrity Management Plan:

Table 10: Steps in Developing an Integrity Management Plan

Steps	Tasks Listing	Person-in-Charge	Expected Outputs	Templates	Timeframe
1. Convene a workshop for developing a 5-year Integrity Management Plan	<ul style="list-style-type: none"> ▪ Coordinate and set a date with IMC; ▪ Identify participants for the workshop; ▪ Obtain approval for the workshop ▪ Coordinate logistical requirements; ▪ Invite all participants and request to bring reference materials; ▪ Designate a facilitator and a documenter; ▪ Prepare printed materials (Handbook for resource persons), equipment; and ▪ Hold assessment workshop. 	IMC	<ul style="list-style-type: none"> ▪ List of participants; ▪ Order for the convening of the workshop and mandatory attendance of participants; ▪ Presentation and reference materials 		
2. Complete the Integrity Management Plan Logical Framework	Use tool for analyses during the workshop	IMC, top management, and workshop participants	Completed Integrity Management Plan Logical Framework	Template 5	
3. Submit the Integrity Management Plan Logical Framework	Submit the Integrity Management Plan Framework	IMC	Completed Integrity Management Plan Logical Framework		
4. Prepare Implementation Plan by office/unit	Use tool for analyses during the workshop	Office/unit heads and staff	Completed Implementation Plan	Template 6	

D. Implementing the Integrity Management Plan

Upon the finalization of the Integrity Management Plan, the public sector institution is then set for its effective implementation, with the head of institution taking the lead and deriving needed support from the IMC. Prior to actual implementation, the roles and responsibilities of the IMC and the implementing units shall be clearly established.

The implementing units shall be primarily responsible for carrying out and regularly monitoring integrity measures and the corresponding programs, activities and projects, with regular reporting to the IMC. Officials and employees must be capacitated to effectively adhere to integrity standards. They shall be provided with orientation and training programs as well as counselling services on integrity dilemmas.

The implementing units should be clear on their role in the planned implementation. They must ascertain that sufficient resources are allocated to the different activities. The head of institution may task the planning unit to include in the agenda of the core planning session the coverage of the Integrity Management Plan. Activities or tasks not needing much resource must be readily implemented, whereas resource-intensive activities and tasks must be scheduled in the core planning session.

The Integrity Management Plan Logical Framework should be communicated to everyone in the institution. The IMC, led by the head of institution, may make use of institutional activities such as flag-raising ceremony, assemblies and anniversary parties, not only to raise awareness on the Integrity Management Plan, but also to encourage the personnel to contribute in building a culture of integrity within the institution directly through assigned tasks or by adherence to the code of conduct or other integrity policies. The head of institution may choose to designate change management agents in every office or unit who shall implement change management plans pursuant to the Integrity Management Plan.

The implementation of the Integrity Management Plan should cascade down to all levels of the institution. Each implementing unit is responsible for farming out specific tasks necessary for implementation. Individual targets should be set in accordance with the results-based management system and with the performance-based bonus system when applicable.

E. Conducting an Internal Monitoring and Evaluation

A Monitoring and Evaluation (M&E) system shall be implemented in both the program and institution levels. This involves tracking the progress of implementation and the achievement of the program results at the institution level, and eventually determining the efficiency and effectiveness of the program in preventing corruption in general. The findings may be used as inputs for defining integrity as it specifically applies to the institution, and for determining the integrity measures needed by the institution according to its specific needs and inherent complexities.

Each implementing unit shall formulate an M&E Plan based on the institution's Integrity Management Plan Logical Framework and Implementation Plan. The M&E plan details the targets and the data collection plan for the indicators defined in the Logical Framework, and covers implementation details relevant to the Implementation Plan. The M&E plan makes use of two templates: the M&E Plan Template which helps assess the achievement of the IMP based on defined performance indicators in the Logical Framework, and the M&E Progress Report Template which tracks the completion and the timeliness of implementation based on the Implementation Plan.

The following shows how an internal monitoring and evaluation is developed:

Step 1. Review the indicators in the Integrity Management Plan Logical Framework.

An M&E Plan (**Template 7**) shall be prepared to properly monitor the achievement of the institution in meeting its anti-corruption agenda and integrity objectives through the identified integrity measures or outputs. It shall contain, aside from the integrity measures, the program logic and the indicators, a baseline data, the targets, the source of data, the frequency of data collection, and the responsible person or unit.

Template 7: Monitoring and Evaluation Plan

Program Logic/ Narrative	Indicators	Baseline	Targets	Source of Data	Frequency of Data Collection	Person/Unit Responsible
Goal						
Purpose						
Outputs (Integrity Measures)						
Activities						

Baseline: Determine the latest available data on the selected indicator.

Targets: Identify the desired result for each year of implementation.

Sources of data: Identify the publications, documents, organizations or other sources from which data may be obtained.

Frequency of data collection: Define the regularity of data collection (*i.e.*, monthly, quarterly, semi-annually, annually or bi-annually).

Person/unit responsible: Determine the person and/or the unit that takes charge in collecting data and reporting the same to the IMC. The unit responsible is usually the custodian or author of the document where the data might be obtained.

Step 2. Prepare an M&E Plan.

An M&E Plan begins with the collection of baseline data in relation to the indicators. Progress toward desired outcomes starts with the measurement of “initial” conditions. The baseline data is the first measurement of indicators before the actual conduct of the program. It establishes the current condition or situation. It is also used to set more realistic targets for monitoring and evaluation of results.

Step 3. Establish performance targets.

Based on the collected baseline data, targets may then be established with due regard to funding and personnel requirements, as well as to the amount of external resources expected to supplement internal resources, the relevant political concerns, and the existing organizational (especially managerial) experience.

Step 4. Prepare a progress report.

The implementing units shall prepare a quarterly progress report for submission to the IMC. In turn, the IMC shall draft a semi-annual M&E Progress Report (**Template 8**), based on the quarterly submission of the institution for further submission to the PMC. The report shall contain the integrity measures and the activities related to each, the starting date of implementation, the target and actual completion dates, the accomplishments and the reasons for deviations from targets, if any. The report should be signed by the head of institution and submitted to the PMC.

Template 8: M&E Progress Report

Integrity Measure (Output)	Activities	Target		Actual		Accomplishments	Remarks (deviations, etc.)
		Start Date	End Date	Start Date	End Date		

Step 5. Conduct an annual evaluation.

One year from the conduct of the baseline review, the institution, through its own IMC, shall conduct another review of its own accomplishments in coordination with the PMC. This will not only guide the institution on how to improve its endeavors at IMP implementation and in achieving its integrity objectives, but will also be the basis for recognition/incentives which the PMC shall establish and provide.

The following are the steps for internal monitoring and evaluation:

Table 11: Steps for Conducting an Internal Monitoring and Evaluation

Steps	Tasks Listing	Person-in-Charge	Expected Outputs	Templates	Timeframe
					Month 3-4
1. Review the indicators in the IM Plan Logical Framework	<ul style="list-style-type: none"> ▪ Convene Monitoring Unit for IMC 	IMC/ Monitoring Unit for IMC	Final IM Plan Logical Framework		7 days
2. Prepare an M&E Plan	<ul style="list-style-type: none"> ▪ Verify the indicators agreed upon in the Planning Workshop ▪ Collect baseline data for indicators identified ▪ Set targets in consultation with responsible units 	Monitoring Unit for IMC	M&E Plan	Template 7	14 days
3. Establish performance targets	<ul style="list-style-type: none"> ▪ Coordinate with different offices for the establishment of targets 	IMC / Responsible Units			7 days
4. Prepare Progress Report	<ul style="list-style-type: none"> ▪ Provide responsible units guidelines for submission of reports ▪ Collect reports ▪ Draft semi-annual Progress 	IMC	Progress Report	Template 8	After Month 6
5. Conduct annual evaluation	<ul style="list-style-type: none"> ▪ Collect data from responsible units as indicated in the Plan ▪ Verify data as needed ▪ Analyze the results 	IMC			After Year 1

Figure 2: Timetable for IMP

IMP Management at the Institutional Level	Responsible person/s	Week 2-4	Month 1	Month 2	Month 3	Month 4	Annual / Continuous
1. Setting up an Integrity Management Committee							
2. Conducting an Integrity Assessment							
3. Developing an Integrity Management Plan							
4. Implementing the Integrity Management Plan							
5. Conducting an Internal Monitoring and Evaluation							

Part III. Program Monitoring and Evaluation

Program monitoring and evaluation shall be operationalized through the monitoring and evaluation framework of the IMP based on the institution’s Integrity Management Plan Logical Framework. Aside from ensuring compliance with existing laws, program monitoring and evaluation is intended to systematically gather information that can aid the institution in planning for IMP implementation, and the PMC in monitoring the progress of implementation and in assessing the achievement of performance targets for programmatic decisions. It also ensures internal and external accountability.

A. Progress and Performance Monitoring

The M&E system shall be managed by the PMC through the Technical Secretariat. Monitoring shall be implemented on two levels: (1) implementation of activities to reach the integrity targets, including the timeliness of implementation and the level of accomplishment (progress monitoring); and (2) achievement of performance targets (performance monitoring).

For Progress Monitoring, the institution, through its Technical Secretariat, is required to submit to the PMC a progress report (**Template 8**) every semester. The Technical Secretariat shall perform a desk review of the institution’s implementation of activities.

Under Performance Monitoring, the institutions shall submit an annual report (**Template 9**) to the PMC. In this case, the Technical Secretariat shall not only consider the implementation of activities, but shall also review the performance indicators identified and tracked by the institution in its Integrity Management Plan Logical Framework (see **Template 5**). In this way, the Technical Secretariat determines whether the institution is

moving toward its targets or is far off from them. It may, thus, make an initial determination of whether the activities implemented and the outputs produced are leading to the intended purposes. Based on these findings, the Technical Secretariat may be enabled to provide the institution its needed assistance.

Template 9: Performance Monitoring Report Template

Name of the Public Sector Institution												
A. Overview of Integrity Management Plan												
B. Accomplishments												
C. Challenges Encountered and Addressed												
D. Self-evaluation												
E. Summary of Indicators												
Program Logic/ Narrative	Indicators	Baseline	Targets					Actual				
			Y 1	Y 2	Y 3	Y 4	Y 5	Y 1	Y 2	Y 3	Y 4	Y 5
Goal												
Purpose												
Outputs												
Activities												
IMC Members												

In the annual review of the institution's progress, the Technical Secretariat shall use a Performance Rating Sheet (**Template 10**) for a standardized review that allows for a comparison of the accomplishments of the various institutions implementing diverse projects.

Template 10: Performance Rating Sheet

Criteria	Rating
1. Were the targeted outputs reached? (see indicators for outputs) Score: a. At least 60-75% of the output targets were reached = 1 b. At least 76-90% of the output targets were reached = 2 c. At least 91-100% of the output targets were reached = 3	
2. Were the activities set out in the Integrity Management Plan implemented? Score: a. At least 60-75% of activities were implemented = 1 b. At least 76-90% of activities were implemented = 2 c. At least 91-100% of activities were implemented = 3	

<p>3. Was there sufficient amount of resources mobilized for implementation of the Plan? <i>Score:</i> a. The IMP included in the institution's budget = 1 b. At least 50% of IMP budget expended= 2 c. The IMP budget was fully expended = 3</p>	
<p>4. Were the activities implemented in a timely manner? <i>Score:</i> a. At least 60-75% of the activities were implemented within planned period of implementation = 1 b. At least 76-90% of the activities were implemented within planned period of implementation = 2 c. At least 91-100% of the activities were implemented within planned period of implementation = 3</p>	
<p>5. Was the annual target set for the goal reached? (see indicator for goal) <i>Score:</i> a. No compliance =0 b. Partial =1-2 c. Yes = 3</p>	
TOTAL	

Note: Rate the institutions using the scores provided under each number. The highest score that can be earned by the institution is 15 points. If the institution does not fall under any criteria provided under each number, a zero (0) rating is given.

The Technical Secretariat shall review the monitoring reports and shall submit the results to the PMC. The PMC may choose to conduct on-site visits to validate the performance ratings of the units or to verify the accuracy of the report. Furthermore, it may provide relevant advice through the process of IMP planning and implementation, as well as technical support, to address the concerns raised in the monitoring process.

The PMC shall endorse its findings and recommendations to the Executive Secretary and the Ombudsman for approval and action. The PMC implements the decision or action of the Executive Secretary and the Ombudsman on matters involving IMP. They may independently decide or act on matters or concerns particularly those involving their respective mandates.

B. Technical Secretariat Evaluation

The PMC, through its Technical Secretariat, shall conduct mid- and end-of-program evaluation within the 5-year cycle of the IMP. On the third year of implementation, the Technical Secretariat shall evaluate the effectiveness of the IMP. The data per institution shall be carefully analyzed to provide targeted interventions necessary to assist institutions in staying on track. The evaluation shall also assess the effectiveness

of integrity measures for the purpose of generating the best practices under any of the dimensions instrumental to change in individual and institutional values, governance conduct and effective implementation of local and international standards that might have brought about the reduced incidence of corruption or the enhanced trust rating of the institution.

The data on the indicators shall be gathered using primary and secondary data collection methods. Primary data shall be gathered through surveys and interviews. Secondary data shall come from the reports of institutions and other organizations. These shall then be analyzed to find out whether the program was delivered according to its objectives. Basic comparisons, such as targets-to-accomplishments comparison, shall be made. The trends in implementation shall also be determined to identify the necessary adjustments to program implementation.

After five years of implementation, the Technical Secretariat shall conduct another evaluation and assess the impact of the IMP within the bureaucracy. Changes in the level of corruption in various institutions, and in the government as a whole, shall be properly accounted for.

C. Reporting Requirements

In sum, public sector institutions shall submit the following reports:

1. *Integrity Assessment Report* and *Integrity Management Plan Logical Framework* – to be submitted upon completion within three (3) months at the latest from the issuance of the directive for IMP implementation.
2. *Integrity Management Plan* – to be submitted within thirty (30) days from the presentation to an IMP panel.
3. *Progress Monitoring Report* – the deadline for semestral submission shall be based on the date of submission of the institution's first Integrity Management Plan. The deadline for every 180 days shall be maintained throughout the 5-year cycle of the IMP.
4. *Performance Monitoring Report* – the deadline for the annual submission shall be based on the date of submission of the institution's first Integrity Management Plan. The same date shall be used throughout the 5-year cycle of the IMP.

D. Certification

For purposes of certification, public sector institutions shall be assessed on their level of achievement in building a culture of integrity within their respective organization. Institutions performing exemplarily shall be recognized and awarded.

Exemplary IMP-participating institutions shall be subject to three (3) levels of achievement for the purpose of certification, based on the results of the their performance rating sheet, the depth of implementation, and the verified trust rating they have earned from the public. Once the performance rating (see

Template 9) has been determined, the external assessor shall validate the extent of implementation and the given trust rating to assess the corresponding certification level. The following provides the criteria for each certification level:

Table 12: Certification Levels

Gold: A Culture of Organizational Stewardship	Performance Rating of 14-15 + central and regional/field office-wide implementation of IMP + trust rating of at least 75% or at least an increment of 25%
Silver: A Culture of Accountability	Performance Rating of 11-13 + central office-wide implementation of IMP with selected regional offices full implementation + trust rating of at least 65% or at least an increment of 15%
Bronze: A Culture of Commitment	Performance Rating of 9-10 + central office-wide implementation of IMP + trust rating of at least 55% or at least an increment of 10%

E. External Assessors

The PMC may call upon external assessors in assessing the certification level of a public sector institution. Volunteers from the Association of Fraud Examiners and the Internal Auditors, as well as compliance officers and similar individuals, shall be invited to join the team of external assessors.

The external assessors shall determine whether the institution has adopted the relevant values, governance principles and standards in the formulation and development of its integrity measures under any of the dimensions.

The following scorecard may be used in assessing levels of certification:

Certification Level	Criteria	Yes	No
Gold: A Culture of Organizational Stewardship	The institution received a Performance Rating of 14-15.		
	The institution is implementing integrity measures within its organization based on its Integrity Management Plan (including central, regional, and other field offices).		
	The IMP is part of the annual agency planning (executive committee meetings, core planning, Performance Based Bonus/ Results Base Performance System, etc.).		
	The institution is adopting relevant values, governance principles and standards in the formulation and development of their integrity measures under any five (5) of the six dimensions.		
	The institution received a trust rating of 75% or at least an increment of 25%.		

Silver: A Culture of Accountability	The institution received a Performance Rating of 11-13.		
	The institution is implementing integrity measures throughout the central office and in at least three regional/field offices.		
	Personnel are awarded for work related to IMP (e.g. full integration in Performance Based Bonus).		
	The institution is adopting relevant values, governance principles and standards in the formulation and development of their integrity measures under any three (3) of the six dimensions.		
	The institution received a trust rating of 65% or at least an increment of 15%		
Bronze: A Culture of Commitment	The institution received a Performance Rating of 9-10.		
	The institution is implementing integrity measures throughout the central office.		
	Some personnel are awarded for work related to IMP (e.g. at least partial integration in Performance Based Bonus).		
	The institution is adopting the relevant values, governance principles and standards in the formulation and development of their integrity measures under any of the dimensions.		
	The institution received a trust rating of 55% or at least an increment of 10%		

Annex 1: Guidelines on CSO Participation in the IMP

Effective civil society participation in the promotion of integrity and in the fight against corruption under the Integrity Management Program (IMP) shall be guided by three conditions:

1. Legal framework that enables the CSOs to participate;
2. Policy issuance of the institution to engage with the CSOs; and
3. Statement of commitment by participating CSOs.

I. National and International Legal Framework

a. National Legal Framework

The role of Non-government Organizations (NGOs) and People's Organizations (POs) is institutionalized in the 1987 Philippine Constitution:

1. Article II, Section 23: "the state shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation."
2. Article XIII, Section 15: "the state shall respect the role of independent people's organizations to enable the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means."
3. Article XIII, Section 16: "the right of the people and their organizations to effective and reasonable participation at all levels of social, political and economic decision-making shall not be abridged. The state shall, by law, facilitate the establishment of adequate consultation mechanisms."

By establishing a process of accreditation of NGOs and POs at the local government level, the Local Governance Code of 1991 clearly stipulates on the role of "people power" at the lowest levels of governance. In fact, the local development council is formed at the village level with at least one quarter of the local development council's membership coming from the civil society or the private sector.

b. International Framework

Article 13 of the United Nations Convention Against Corruption (UNCAC) provides that:

1. Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to

raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption.

2. This participation should be strengthened by such measures as: (a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes; (b) Ensuring that the public has effective access to information; (c) Undertaking public information activities that contribute to non-tolerance of corruption, as well as public education programmes, including school and university curricula; (d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption.
3. That freedom maybe subject to certain restrictions, but these shall only be such as are provided for by law and are necessary: (i) For respect of the rights or reputations of others; (ii) For the protection of national security or order public or of public health or morals.

II. Agency Policy on CSO Participation

Consistent with the national and international legal framework, the institution concerned is expected to adopt and issue an internal policy on CSO participation in the implementation of the IMP. The policy shall define the following:

- A. Purpose - The rationale of having CSO representatives in the internal IMC is to enhance transparency and accountability, as well as policy and program effectiveness, in the implementation of the IMP and in the installation and sustainability of the Integrity Management System.
- B. Types of CSOs – The institution may consider the following groups of individuals and associations, formal and informal, which belong neither to the public sector nor to private sector (United Nations Research Institute for Sustainable Development, 2002):
 1. *Non-governmental Organizations (NGOs)*. They are often and mistakenly equated with civil society. They are structured organizations working in a broad spectrum of fields, from humanitarian aid to human rights promotion and environmental protection.
 2. *Community-based organizations (CBOs)*. Their constituency is of both activists and beneficiaries residing within a recognizable geographical entity such as a neighborhood, a village or a district. CBOs rely mainly on the voluntary contributions of their members in the form of labor and material resources, but may also be receiving funds from NGOs.
 3. *Non-governmental Development Organizations (NGDOs)*. They are specialized in channeling funds for development, and engage with other civil society entities in carrying out development projects or mobilizing the local populace.

4. *Advocacy NGOs*. They provide such services as research and training, and information gathering and dissemination. The most common forms of advocacy NGOs are chambers of commerce and federations of CBOs.
 5. *Interest group associations*. They include associations of professionals such as lawyers, doctors and architects. They also include producer and consumer cooperatives, and associations for business executives or retired persons, in addition to unions whose primary function is to protect the interest of their members at the workplace.
- C. Role of the CSOs in the IMP - As members, observers or members-observers, they shall engage with the institution in any or all of the following functional or programmatic areas:
1. Contribute in discussions with the IMC, in advocating policy reforms and development of more transparent IMP policies, programs, measures, systems and procedures for promotion of integrity values in the institution's operations imbued with public interest;
 2. Support the institution through its networks and coalitions in informing and educating the public or a specific sector of society on how best the various CSOs and the general public may aid in promoting integrity and in fighting corruption in the performance of the institution's development and service mandates under the IMP;
 3. Provide feedback and monitoring support to the IMC especially in the observance of good governance and practice standards, and in advancing the sustainability of IMP measures, systems, programs and plans; and
 4. Represent the public's interest in transparent and responsible governance that would guarantee the effectiveness and responsiveness of the institution and, thus, help in building the people's trust and confidence in the institution's management of scarce government resources and in building public satisfaction with the quality of its programs, projects and services.
- D. Selection Criteria of CSO - The institution shall exercise discretion in selecting the CSO representative to the IMC. Representation is institutional and not based on personal capacity. Thus, selecting a CSO representative must be based on the following guidelines:
1. active and major CSO of national stature and with credibility to address integrity and anti-corruption concerns relevant to the mandate of the institution;
 2. has good working relationship with the rest of the CSOs with similar or related knowledge base in promoting integrity and in fighting corruption in the various development undertakings and services of the institution;

3. has substantial experience and involvement in representing the civil society in integrity and anti-corruption endeavors relevant to the specific development or service mandate of the institution;
 4. is self-funded, and has ample financial capacity to attend the meetings of the IMC; able to commit information on and initiate education and advocacy activities within its network and coalitions, with approval of the IMC;
 5. is willing to commit its institution for the sustainability of the IMP in the institution; and
 6. is willing to undertake a self-initiated integrity program within its own organization that runs along the IMP objectives.
- E. Selection Procedures for CSO - The CSO representative to the IMC shall be selected based on the following guidelines:
1. The IMC conducts a random selection of CSOs based on the abovementioned selection criteria;
 2. The IMC conducts a review and evaluation of the candidate CSOs and shall rank them with proper justifications;
 3. The head of institution may invite the CSO of his/her choice for a pre-selection meeting to gauge the willingness of the CSO to work with the institution;
 4. The head of institution officially sends invitational membership to the selected CSO, with attached terms of reference (based on II –A, B & C); and
 5. The selected CSO's membership is confirmed upon submission of the statement of commitment signed the selected CSO.

III. Statement of Commitment by the CSO member to the IMC

The statement includes the following:

- A. pledge of support to the vision, goals and objectives of the IMP;
- B. commitment to perform the purpose and role of the CSO (as defined under II A & B);
- C. expression of institutional capacity to participate in IMC meetings and activities requiring its participation;
- D. commitment to provide relevant information, and to undertake education and advocacy activities within the CSO community and the general public, as may be requested and duly approved by the IMC in furtherance of IMP objectives; and
- E. commitment to observe and propagate the IMP's shared values and good governance standards among its ranks, networks and coalitions.

End Notes

ⁱOn one hand, the Integrity Development Action Plan or IDAP serves as the national anti-corruption framework of the Executive Branch. Formulated in 2004 with a wholistic approach in fighting corruption, it is composed of 22 specific anti-corruption measures (called "doables") clustered into the strategies of prevention, education, investigation and enforcement (deterrence), and strategic partnership. The Integrity Development Review or IDR, on the other hand, is a preventive measure against corruption that aims to build institutional foundations to prevent corruption before it occurs. It involves a systematic diagnosis of corruption resistance and vulnerabilities of an agency. The process is undertaken via two major tools: corruption resistance review and corruption vulnerability assessment. For more on IDR, see the IDR Do-It-Yourself Handbook (DAP, 2011).

ⁱⁱWhitton, Howard (February 2001). *Implementing Effective Ethics Standards in Government and the Civil Service*. Transparency International.

ⁱⁱⁱMiddle managers are the unit heads or division chiefs of the institution.

^{iv}Last accessed on 14 November 2014.