

QUARTERLY PERFORMANCE MONITORING REPORT

JULY TO SEPTEMBER 2003

October 30, 2003

EGTA
ECONOMIC GOVERNANCE TECHNICAL ASSISTANCE



A Consortium of:

**Development Alternatives, Inc.
Cesar Virata & Associates, Inc.
IBM Business Consulting Services**

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ABBREVIATIONS AND ACRONYMS

3Q2003	-	3rd Quarter of 2003
AAB	-	Administrative Adjudication Bureau
ADB	-	Asian Development Bank
ADR	-	alternative modes of dispute resolution
AMLA	-	Anti-Money Laundering Act
AMLC	-	Anti-Money laundering Council
AO	-	Administrative Order
AWACS	-	Advance Warning and Control Systems
BAC	-	Bids and Awards Committee
BAFPS	-	Bureau of Agriculture and Fisheries Product Standards
BAI	-	Bureau of Animal Industry
BAP	-	Bankers' Association of the Philippines
BFAD	-	Bureau of Food and Drugs
BIR	-	Bureau of Internal Revenue
BLGF	-	Bureau of Local Government and Finance
BOC	-	Bureau of Customs
BOT	-	Bureau of Trademarks
BOT	-	Build-Operate-and-Transfer
BPI	-	Bureau of Plant Industry
BSP	-	Bangko Sentral ng Pilipinas
CA	-	Court of Appeals
CAO	-	Customs Administrative Order
CATV	-	cable television
CeC	-	Community e-Center
CED	-	Compliance and Enforcement Department
CEDF-IT	-	Cebu Educational Development Foundation for Information Technology
CMDC	-	Capital Markets Development Council
CMIO	-	Central Management Information Office
CMM	-	Capability Maturity Model
CMO	-	Customs Memorandum Order
CRIA	-	Corporate Recovery and Insolvency Act
CSC	-	Civil Service Commission
CVAI	-	Cesar Virata & Associates, Inc.
CVA	-	Corruption Vulnerability Assessment
DA	-	Department of Agriculture
DAI	-	Development Alternatives, Inc.
DAP	-	Development Academy of the Philippines
DBCC	-	Development Budget Coordinating Council
DBM	-	Department of Budget and Management
DBP	-	Development Bank of the Philippines
DFA	-	Department of Foreign Affairs
DICT	-	Department of Information and Communications Technology

DILG	-	Department of Interior and Local Government
DITTB	-	Documentation, Information and Technology Transfer Bureau
DOF	-	Department of Finance
DOH	-	Department of Health
DOJ	-	Department of Justice
DOST	-	Department of Science and Technology
DOTC	-	Department of Transportation and Communications
DTI	-	Department of Trade and Industry
EO	-	Executive Order
EPIB	-	Evaluation and Preliminary Investigation Bureau
ERP	-	Early Retirement Package
FATF	-	Financial Action Task Force
FIE	-	Fixed Income Exchange
FINEX	-	Financial Executives of the Philippines, Inc.
GDP	-	Gross Domestic Product
GPPB	-	Government Procurement Policy Board
GPRA	-	Government Procurement Reform Act
GSIS	-	Government Service Insurance System
IAAGC	-	Inter-Agency Anti-Graft Coordinating Council
ICT	-	Information and Communications Technology
IFI	-	International Financial Institutions
IP	-	Intellectual Property
IPC	-	Intellectual Property Coalition
IPR	-	Intellectual Property Rights
IPREAP	-	Intellectual Property Rights Enforcement Action Panel
IRA	-	Individual Retirement Accounts
IRA	-	Internal Revenue Allotment
IRM	-	Insect Resistance Management
IRR	-	Implementing Rules and Regulations
ISP	-	Information Systems Plan
ITECC	-	Information Technology and Electronic Commerce Council
KICAC	-	Korean Independent Commission against Corruption
LGU	-	Local Government Unit
MCs	-	Memorandum Circulars
MRD	-	Market Regulation Department
MTDP	-	Medium-term Development Plan
NCCT	-	Non-cooperative countries and territories
NCPB	-	National Committee on Biosafety of the Philippines
NEDA	-	National Economic and Development Authority
NFA	-	National Food Authority
NIMBB	-	National Institute of Molecular Biology and Biotechnology
NLRC	-	National Labor Relations Commission
NPAC	-	National Ports Advisory Council
NRA	-	National Revenue Authority
NTC	-	National Telecommunications Commission

OMB	-	Optical Media Bill
OPIF	-	Organizational Performance Indicator Framework
PCCI	-	Philippine Chamber of Commerce and Industry
PCEG	-	Presidential Committee on Effective Governance
PCFMI	-	Philippine Chamber of Food Manufacturers, Inc.
PDEC	-	Philippine Dealing and Exchange Corporation
PDSHI	-	Philippine Dealing and Securities Holdings, Inc.
PEA	-	Post Entry Audit
PEM	-	Public Expenditure Management
PES	-	Performance Evaluation System
PhilJA	-	Philippine Judicial Academy
PIDS	-	Philippine Institute for Development Studies
PMC	-	Philippine Mediation Center
PMCP	-	Pest Management Council of the Philippines
PMO	-	Philippine Management Office
PPA	-	Philippine Ports Authority
PVP	-	Plant Variety Protection
PwC	-	PricewaterhouseCoopers
RDOs	-	Revenue District Offices
RMO	-	Revenue Memorandum Orders
ROCA	-	Risk Management, Operational Controls, Compliance and Asset Quality
RRTS	-	Roll on-Roll off Terminal System
RTD	-	Round Table Discussions
SAS	-	Service Area Scheme
SBMA	-	Subic Bay Metropolitan Authority
SC	-	Supreme Court
SEC	-	Securities and Exchange Commission
SES	-	Supervision and Examination Section
SGL	-	Super Green Lane
SIE	-	Statement of Income and Expenditure
SPV	-	Special Purpose Vehicle
SRC	-	Securities Regulation Code
SRO	-	Self-Regulatory Organization
SOSA	-	Strength of Support Assessment
SSS	-	Social Security System
STRP	-	Scientific and Technical Review Panel
TCRC	-	Tax Compliance Report Card
TROs	-	Temporary Restraining Orders
TWG	-	Technical Working Group
VAAP	-	Voluntary Assessment and Abatement Program
VOIP	-	Voice over Internet Protocol
WB	-	World Bank
WCO	-	World Customs Organization
WEF	-	World Economic Forum

1. BACKGROUND & CONTRACT OBJECTIVES

AGILE/EGTA is a 6-year, 4-month USAID-funded activity (1 June 1998 – 30 September 2004) designed to support economic policy improvements in the Philippines, help bring about sustainable economic growth, and improve the country's economic resiliency by augmenting the policy initiatives of government counterparts. It is an important mechanism by which USAID/ Philippines seeks to contribute to the Agency-wide goal of promoting economic growth and development. Specifically, AGILE responds to USAID/ Philippines' Second Strategic Objective (SO2): "Governance Enhanced: Corruption Mitigation." Its three areas of focus, resulting from discussions with potential partners, are:

- Stabilizing and deepening financial institutions
- Making trade and investment more competitive and dynamic
- Improving economic governance

In the second phase of AGILE/EGTA's policy reform work (1 June 2001 – 30 September 2004), it places particular emphasis on supporting initiatives that will:

- Make public sector institutions, policies and practices more transparent and accountable
- Remove barriers to competition in trade and the development of infrastructure

The provision of AGILE/EGTA assistance to government-approved reform initiatives is managed by a consortium of Filipino and US organizations (the AGILE/EGTA Consortium) experienced in economic policy reform in the Philippines and the region. It is led by Development Alternatives, Inc. (DAI), and includes the Harvard Institute for International Development (HIID), Cesar Virata & Associates, Inc. (CVAI), and IBM Business Consulting Services.¹

All the work of the AGILE/EGTA Consortium is demand driven. The broad areas of involvement are set under the strategic guidance of the AGILE/EGTA Steering Committee, made up of representatives of the government, private sector, academia, and USAID. The Steering Committee, initially designed to meet on a semi-annual basis, has been re-organized to meet quarterly to decide on new areas of activity, monitor progress, and evaluate accomplishments of this joint Philippine government-US government project.

Specific approaches to policy or institutional reforms are designed in collaboration with government counterparts. AGILE/EGTA focuses on assisting the GOP conduct focused policy analysis and formulation. Additionally, it provides technical assistance to USAID in the area of policy monitoring, assessment, and reporting for activities designed to contribute to SO2 development objectives.

This report focuses on AGILE/EGTA-supported activities undertaken during the 3rd quarter of 2003 (3Q2003) in support of government policy initiatives and USAID SO2 goals. Specifically, it reviews steps towards the achievement of Policy Outcomes (POs) and Results Packages (RPs). For ease of tracking, the section on technical accomplishments is structured according to Policy

¹ IBM Business Consulting Services was formerly known as *PricewaterhouseCoopers (PwC)*.

Outcomes and Results Packages as specified in the Steering Committee-approved AGILE Work Statement for June 2001 – June 2003 with special emphasis given on dated Key Expected Accomplishments and Outcomes. These are identified as sub-headings in the report.

Planned accomplishments and outcomes, and AGILE/EGTA's success in meeting them, are also included in matrices at the end of the text on each Policy Outcome section for easy reference. A section covering Activity (project) administration follows the technical section. Supporting documents, including a list of reports, policy briefs, and memos, and presentation materials; current staffing list by technical area; list of training/seminars and workshops; and financial remaining sheet are included in annex.

2. TECHNICAL ACCOMPLISHMENTS

Overview

The third quarter of 2003 was a challenging one for the Arroyo administration, having to contend with a slowdown in the global economy and at the same time deal with internal political tensions and economic concerns.

Sluggish demand in the Philippines' top export markets has weighed on its trade performance and economic growth this quarter, raising concern about the impact of a widening trade deficit. Total merchandise exports contracted due to the slowdown in the shipments of electronics, semiconductors and garments abroad.

Other factors that continued to dampen market sentiment were concerns over the budget deficit, thereby adding pressure to the government to increase domestic and foreign borrowings for much needed funding.

On the positive side, the country's inflation rate slowed down to 2.9 percent in September compared to 3 percent in August because of lower prices of food and electricity in rural areas. The lower cost of money and increased bank lending have encouraged higher consumer spending.

The third quarter was also affected by political tensions, most notably the one-day mutiny or coup attempt by young military officers. This July event was another hard blow to the economy and investor sentiment.

On the policy front, President Arroyo signed the Implementing Rules and Regulations (IRR) of the General Procurement Reform Act (GPRA). In addition to this, the Department of Transportation and Communication (DOTC) and Telecommunications Office (TelOf), with AGILE/EGTA assistance, launched the first pilot community e-centers (CeC) in Talibon, Bohol during the quarter.

Policy Accomplishments:

Below is an overview of the nature and extent of progress that AGILE/EGTA has helped its policy reform counterparts achieved in the past quarter.

Commercial Law Strengthening

Capital Markets Regulation. AGILE/EGTA, upon the request of the Securities and Exchange Commission (SEC), continued to train the Market Regulation personnel on the Advanced Warning and Control Systems (AWACS) market surveillance system, coordinated with AWACS software developer on technical problems of AWACS, as well as prepared the AWACS users' manual. The SEC, with AGILE/EGTA's help, conducted seminars on the principles and best practices on corporate governance for corporate directors, corporate secretaries, and compliance officers. In addition to this, AGILE/EGTA continued to provide technical assistance to Congress in its efforts to legislate the Pre-Need Code.

Increase Domestic Investor Base. AGILE/EGTA provided the Bankers Association of the Philippines-Fixed Income Exchange (BAP-FIE) project team technical assistance to help them prepare the documents for the registration of the Philippine Dealing and Exchange Corp. (PDEC) as a fixed income exchange. The move to establish an FIE will standardize and create more transparency in trading secondary debt instruments. Responding to SEC's request, AGILE/EGTA aided in the preparation and printing of investor educational materials, specifically a fact sheet on investing in the Philippines.

Insolvency Laws and Regulations. AGILE/EGTA continued to help the Philippine Judicial Academy (PhilJa) draft and finalize the proposed Rules of Procedure Governing the Liquidation of Corporation In Insolvency. With the help of its technical consultants, AGILE/EGTA discussed the proposed rules with PhilJa's consultants and officials in a series of round table discussions. In addition to this, AGILE/EGTA finalized the Benchbook on Corporate Rehabilitation, which was co-authored by PhilJa.

Commercial Laws Enforced ("Law and Economics"). At PhilJa's request, AGILE/EGTA printed 2,470 copies of the Benchbook on Primary Jurisdiction. During the quarter, AGILE/EGTA provided the Philippine Mediation Center (PMC) technical inputs for their proposed action plan for the full integration of mediation in the Court of Appeals (CA). To reduce docket congestion in the trial courts and upon PhilJa's request, AGILE/EGTA accomplished the following: (1) presented a caseflow management software developed in coordination with the Supreme Court Management Information Systems Office (SC-MISO), and (2) facilitated the training of MISO personnel on systems administration.

Public Sector Governance. AGILE/EGTA, upon the request of the Office of the Ombudsman, provided technical assistance for an intensive prosecution and trial advocacy skills training program. Responding to DOF's request, AGILE/EGTA prepared a roadmap for the transformation and reorganization of the CMIO into an Integrity Protection Service (IPS) and organized a series of corruption prevention and investigation seminars. AGILE/EGTA also finalized the curriculum and program design for the first Ombudsman fact-finding and field-investigation training program. As part of the IAAGCC institution-building program, seven executive scholars were sent to the Hong Kong University (HKU) School of Professional and Continuing Education (SPACE) pioneering 6-week Postgraduate Diploma program in Corruption Studies.

Revenue Administration

Bureau of Internal Revenue (BIR). Upon the BIR Commissioner's request, AGILE/EGTA gave technical assistance for a blueprint which combines Commissioner Parayno's ICT-driven vision and the suggested systems and processes identified by AGILE/EGTA. This blueprint aims to strengthen the proposed National Revenue Authority (NRA) in the event the NRA bill is enacted.

Bureau of Customs (BOC). At the request of BOC, AGILE/EGTA helped Post Entry Audit Group (PEAG) Board of Examiners recruit personnel for the PEAG. In addition to this, AGILE/EGTA assisted the BOC Steering Committee conduct a series of workshops to review and finalize the draft summary tables on the description of goods, which will be presented to the private sector.

Local Government Finance. During the quarter, AGILE/EGTA coordinated with the Municipal Development Fund Office (MDFO) on potential provincial candidates for the LGU Program Loan pilot.

Expenditure Management

Public Expenditure Management. During the quarter, AGILE/EGTA support to Department of Budget and Management (DBM)-led reforms in Public Expenditure Management (PEM) shifted from the Reengineering Program to the Organizational Performance Indicator Framework (OPIF). The Reengineering Program was put on hold following instructions of the President to DBM Secretary Emilia Boncodin. AGILE/EGTA assisted DBM improve the quality of performance indicators of government agencies in preparation for the implementation of the OPIF.

Management of Contingent Liabilities. To support DOF's initiatives in monitoring the level of the government's contingent liabilities, AGILE/EGTA continued to construct financial models, which calculate the expected annual and total costs of BOT projects.

Government Procurement

As requested by the Government Procurement Policy Board (GPPB), AGILE/EGTA assisted in the preparation of procurement manuals, which will cover the procedures on procurement planning up to project implementation of fully domestically-funded procurement of goods and services, infrastructure projects and consulting services of all government entities, including local government units. President Gloria Macapagal Arroyo signed the Implementing Rules and Regulations (IRR) of the procurement law during the quarter. AGILE/EGTA assisted in the conduct of IRR workshops.

Banking/Anti-Money Laundering

Combating Money Laundering. During the quarter, AGILE/EGTA prepared and submitted a five-year draft Information System Plan (ISP) for the AMLC. The ISP defines the business requirements for the computerization of the AMLC based on its mandate as defined in Republic Act 9160 (The Anti-Money Laundering Act of 2001) and as amended by Republic Act 9194. The computerization of the AMLC aims to strengthen its capability to review reports and information it receives as a result of the reduction in the threshold of "covered" transactions. AGILE/EGTA also facilitated the conduct of training activities for BSP examiners to enhance their capability in implementing the requirements of the anti-money laundering laws.

Banking Supervision. The BSP has undertaken several initiatives designed to enhance the effectiveness of the supervisory process and ensure that a comprehensive, fully integrated supervisory program is in place for banking institutions and non-bank financial institutions performing quasi-banking functions. To ensure consistency in the understanding and application of risk focus supervision, AGILE/EGTA provided technical assistance in drafting the Manual on Risk Focus Supervision and Examination. Following completion of the draft, AGILE/EGTA conducted discussions with senior officials of BSP's Supervision and Examination Department. In addition, AGILE/EGTA conducted training workshops on the rating methodology for foreign banking organizations utilized in other jurisdictions.

Special Purpose Vehicle (SPV). AGILE/EGTA continued to monitor developments in the private banking sector to determine the level of interest of potential participants in the SPV activity and to identify perceived concerns by both foreign and local participants.

Competition in Transportation

Maritime Shipping and Ports. AGILE/EGTA continued to assist the Development Bank of the Philippines (DBP) draft a presentation for private sector groups and local government units (LGUs) interested in providing Roll-on/Roll-off (RoRo) services or build RoRo ports. In addition to this, AGILE/EGTA provided technical assistance to DBP in preparation for the Strong Republic Nautical Highway (SRNH) Conference.

Competition in Information and Communications Technology

Telecommunications. AGILE/EGTA helped the National Telecommunications Commission (NTC) finalize the draft of the Accounting Separation Guidelines, which will be used as a basis for regulating the telecommunications industry. In addition to this, AGILE/EGTA and the NTC discussed the guidelines for drafting the Voice over Internet protocol pricing (VOIP) which aims to give consumers a cheaper yet effective alternative in making international calls.

Information Technology and Electronic Commerce Council (ITECC). The Department of Transportation and Communication (DOTC) and Telecommunications Office (TelOf), with AGILE/EGTA assistance, launched the first pilot community e-centers (CeC) in Talibon, Bohol during the quarter. Upon ITECC's request, AGILE/EGTA assisted the NTC draft an MC on cable television (CATV) policy which covers contract exclusivity between the cable operator and content provider, as well as provided assistance in the conduct of capability maturity model (CMM) seminars and workshops.

Trade and Agricultural Competition

Grain Markets More Efficient and Equitable. At the request of the Department of Agriculture (DA), AGILE/EGTA helped in the inventory of existing sanitary phyto-sanitary (SPS) measures and in the development of an SPS information system, which is envisioned to address the requirements of DA's SPS development, enforcement agencies and the private sector. During the quarter, AGILE/EGTA consulted with the concerned DA agencies and documented their initial ideas on the prototype SPS information system.

Biotechnology Exploited Safely. For the third quarter, AGILE/EGTA assisted the Department of Agriculture (DA) prepare for its new functions under DA-Administrative Order (AO) No. 8, particularly with its new mandate on compliance monitoring on (1) field testing of genetically modified (GM) crops and (2) import regulations for GM-derived commodities. Likewise, the technical assistance upon the request of the Bureau of Food and Drugs (BFAD) formally started with the conduct of a technical study on the cost implications of different GM food labeling regimes for processed food.

Plant Variety Protection or PVP. At DA's request, AGILE/EGTA supported the conduct of three (3) orientation sessions for PVP applicants and a workshop for PVP examiners. AGILE/EGTA also provided assistance to organize the taskforce on the accreditation of depository gene banks.

Intellectual Property Rights Enforcement. AGILE/EGTA assisted the Intellectual Property Office in the conduct of three IPR roundtable discussions (RTDs) in key major cities namely Cebu, Baguio and Naga. As a result of these RTDs, an anti-piracy ordinance has been approved in Naga City while Iloilo and Baguio cities are already discussing the possibility of issuing the same ordinance. The Bureau of Customs (BOC), with technical assistance from AGILE/EGTA, issued Customs Special Order 19-2003 on September 12 creating a Permanent Intellectual Property Unit in the BOC. The creation of a permanent IP unit is expected to strengthen customs border control over imports containing goods suspected to be infringing upon the IPR owners. This will also centralize border policy development and implementation for better monitoring of possible IPR violations, particularly at the major ports of entry.

**IR1: INSTITUTIONS, POLICIES AND PRACTICES MADE MORE
TRANSPARENT AND ACCOUNTABLE**

POLICY OUTCOME 1.1 COMMERCIAL LAW STRENGTHENED AND ENFORCED

Results Package 1.1.a. Capital Markets Better Regulated

Improved development of the capital markets can help reduce the cost of capital needed by both the private and public sectors to make necessary investments for further economic growth.

An important gap on the development of the Philippine capital market is the widespread perception that, for all but a few insiders, the risks of portfolio investments outweigh the potential gains. The ability and willingness of regulators to enforce laws governing the capital market is a consideration in this assessment.

AGILE/EGTA involvement in this area is aimed at assisting its government counterparts in improving the regulation of capital markets and the protection of investors, which, in turn, will increase investor confidence and willingness to invest. Critical to the success of this effort is aligning the individual incentives of regulatory staff with the public service mandate of the regulatory institutions.

In pursuit of these goals, AGILE/EGTA has been helping strengthen the capability of the Securities and Exchange Commission (SEC) to effectively implement the Securities Regulation Code (SRC) by providing technical advice and training. Some assistance has also been provided to the SEC and the Department of Trade and Industry (DTI) in their joint campaign against pyramid schemes plaguing individual investors.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

PRE-NEED REGULATION

Pre-Need Code enacted by May 2003

- Upon the request of the Chairman of the House Sub-Committee on Securities and Capital Markets, AGILE/EGTA provided technical analysis on the proposed amendments of the Pre-need Code or House Bill 5535 taking into consideration comments of the bill authors, industry players, regulators and other stakeholders.

SECURITIES REGULATION CODE (SRC) ENFORCEMENT

SEC Enforcement Department staff are trained in investigation procedures and case management and able to conduct viable investigations by October 2002.

- Responding to SEC's request, AGILE/EGTA consultants trained SEC-CED (Compliance and Enforcement Department) and Market Regulation Department (MRD) personnel in the use of the Advance Warning and Control Systems (AWACS) market surveillance system, a computerized market tracking system installed under an ADB assistance program. AGILE/EGTA also prepared the AWACS Users' Manuals.

- AGILE/EGTA consultants coordinated with SDG Software Technologies, developer of AWACS, to resolve technical problems with the system, primarily to help ensure that the system only triggers alerts when they are truly warranted for investigation.
- At SEC's request, AGILE/EGTA continued to prepare materials for training and mock sessions on investigative testimony taking for CED personnel. The objective of this training is to prompt the SEC to begin to use witness testimony as a way to substantially strengthen the cases it seeks to have prosecuted.²

OTHER SIGNIFICANT ACTIVITIES

Promoting corporate governance

- At the request of the SEC, AGILE/EGTA funded the second and third legs of a series of seminars on corporate governance, which were held in Cebu and Manila on July 31 and August 29, respectively. The SEC conducted the seminars to orient corporate directors, corporate secretaries and compliance officer on the principles and best practices on corporate governance.

PLANS FOR THE 4TH QUARTER 2003

PRE-NEED REGULATION

- Continue to provide technical assistance, as requested, to the Chairman of the House Sub-Committee on Securities and Capital Markets, in crafting the Pre-Need Code.

SECURITIES REGULATION CODE (SRC) ENFORCEMENT

- Upon SEC's request, continue to provide assistance to SEC personnel on how to optimize the use of AWACS.
- Upon SEC's request, conduct the lecture and mock testimony-taking session for SEC CED personnel.

Results Package 1.1.d. Increase Domestic Investor Base³

The capital markets in the Philippines are generally the domain of the rich, risk-takers, or insiders; very few average savers ("small investors") participate. Broadening the source of funds without substantially increasing the risk to relatively unsophisticated investors could improve the returns of small savers and support capital formation.

AGILE/EGTA has been supporting the initiatives of the SEC and other capital markets stakeholders in introducing additional investment options into the domestic financial system. A key component of this activity is assistance both to the SEC and the Bankers' Association of the Philippines (BAP)

² Testimony taking from witnesses is an integral part of case development in the United States Securities and Exchange Commission, but is rarely if ever used in the Philippine SEC.

³ Results Packages 1.1.b. and 1.1.c., respectively dealing with Pension Reform and Savings Mobilization, have been discontinued as of the second quarter 2003.

in the establishment of a Fixed Income Exchange (FIE)⁴. The FIE will provide more alternatives to investors (through its offering of products such as government debt instruments, corporate bonds, asset backed securities, and fixed income funds) as well as to Filipino corporations (by attracting capital to domestic issuers).

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

FIXED INCOME EXCHANGE (FIE)

Fixed Income Exchange registered with the SEC and operational by December 2002.

- The SEC exempted the Philippine Dealing and Exchange Corp. (PDEC or the Exchange) and the Philippine Dealing System Holdings Corp. (PDSHC or the mother company of the Exchange) from some provisions of the Securities Regulation Code (SRC), including:
 1. the twenty percent and five percent ownership and investment limitation for industry and individual investors respectively, and
 2. the prohibition of the Exchange president and other officers from being related to or associated with any broker, dealer, member or listed company of the Exchange for at least two years prior to appointment.
- During the quarter, the PDEC and PDSHC, assisted by AGILE/EGTA, sought clarification from the SEC on some of the exemptions granted by the SEC. This was done in preparation for filing of a formal application for registration as an Exchange.
- At the request of The Bankers' Association of the Philippines (BAP) FIE project team, AGILE/EGTA helped in preparing the documents needed for the application of a license that would allow the FIE to operate as an Exchange.
- The PDSHC Board approved the terms and conditions of the Software License and Development Agreement and Maintenance Agreement with Computershare. AGILE/EGTA assisted the FIE project team review the trading platform agreement between Computershare and the PDSHC board.

Individual investors are informed and are able to make choices [unclear what is being said here... need check original] investment options.

- The SEC requested AGILE/EGTA assistance in the preparation and printing of a fact sheet on investing in the Philippines. The fact sheet will provide information on the following:
 1. PSE-listed securities
 2. government securities
 3. commercial papers
 4. corporate bonds
 5. mutual funds
 6. pre-need plans.

⁴ The Fixed Income Exchange is known officially, as of its application to the SEC for secondary license, as the Philippine Dealing and Exchange Corporation (PDEC).

- AGILE/EGTA presented to the SEC Commissioner an outline of the proposed investment fact sheet, which was approved with some revisions.

PLANS FOR THE 4TH QUARTER 2003

- At the request of the BAP-FIE project team, AGILE/EGTA will help the PDSHC complete the documents needed to register PDEC as an Exchange with the SEC.
- At SEC's request, AGILE/EGTA will prepare and print the educational materials on different investment instruments available in the Philippines.

Results Package 1.1.e. Insolvency Laws and Regulations Streamlined

It is an integral part of economic competition that businesses will periodically fail. What is key is to have an updated and fair system of "rules of the game" for handling these events. The Philippines is considered to have insufficient and outdated guidelines for promptly dealing with cases of corporate illiquidity or insolvency. The law governing bankruptcy dates back to the early 1900's when the structure of business ownership and debtor-creditor relationships were quite different than they are today.

The economic cost of slow and unpredictable insolvency and corporate recovery proceedings are substantial. One cost is that the capitalist process of creative destruction so crucial to economic growth and development is slowed down and resources do not move quickly between unproductive or unprofitable uses and those that are more profitable.

To improve conditions for rapid resolution of bankruptcy cases, AGILE/EGTA is providing technical assistance to the SEC in its efforts to establish an insolvency system that allocates risks among participants in long-term investments and protects and maximizes the value of corporate assets. It has engaged in training activities for both the Judiciary and private sector rehabilitation receivers and liquidators to expedite and resolve debt relief petitions efficiently.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Supreme Court issues a circular expanding the jurisdiction of commercial courts by October 2002.

- The Philippine Judicial Academy (PhilJa) is waiting for the Supreme Court (SC) to approve its proposal to expand the jurisdiction of commercial courts. AGILE/EGTA helped PhilJa draft and formulate the proposed circular, which would expand the coverage to:
 1. Petitions for insolvency, whether voluntary or involuntary, and for suspension of payments filed under Act No. 1956, otherwise known as "The Insolvency Law";
 2. Petitions for rehabilitation under the Interim Rules of Procedure on Corporate Rehabilitation;
 3. Intra-corporate controversies under the Interim Rules of Procedure Governing Intra-Corporate Controversies;
 4. Criminal violations of Republic Act No. 8799, otherwise known as "The Securities Regulation Code";

5. Civil actions arising from Republic Act No. 8799, otherwise known as "The Securities Regulation Code";
 6. Criminal violations of Batas Pambansa Blg. 68, otherwise known as "The Corporation Code of the Philippines";
 7. Actions to enforce the liability of stockholder, directors and officers under Sections 31 to 34 of The Corporation Code;
 8. Cases arising from Republic Act No. 9160, otherwise known as the "Anti-Money Laundering Act of 2001"; and
 9. Investment disputes arising from Executive Order No. 226, otherwise known as "The Omnibus Investments Code of 1987", Republic Act No. 7042, as amended, otherwise known as "Foreign Investments Act of 1991 and Republic Act No. 6597, as amended, more popularly known as the "Build-Operate-Transfer Law.
- A circular consolidating commercial courts' jurisdiction over intellectual property cases, was approved by the SC during the quarter and is being implemented. Upon the request of PhilJa, AGILE/EGTA helped organize roundtable discussions (RTDs) and provided technical assistance in drafting the circular.

Rules of Liquidation by November 2002

- The SC's approval on the proposed Rules on Liquidation has been delayed because of its highly technical nature and the inability of PhilJa's consultants group to meet regularly and conduct reviews. AGILE/EGTA helped PhilJa organize RTDs and as well as draft the proposed Rules on Liquidation.

Results Package 1.1.f. Commercial Laws Enforced

It is widely believed within the business community (and to some extent within the other branches of government) that judicial intervention into decisions on economic matters has proven costly to the economy. This intervention can create confusion about the stability of contracts, which are critical to market-led economic development. Added to this problem is the slow administration of justice. The courts are clogged at various levels of the judicial system and relatively simple cases can take years to settle.

AGILE/EGTA has provided assistance to PhilJa in support of the reform efforts of the Supreme Court Chief Justice. AGILE/EGTA has provided technical advice, resource materials, and training for members of the Judiciary, generally focusing on the interface of law and economics. AGILE/EGTA has also supported implementation of mediation as a way of decongesting court dockets, thus increasing the speed with which the courts resolve cases. A particular recent emphasis has been to support pilot efforts to institute electronic caseflow management systems for better tracking of court cases, key to docket decongestion.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Supreme Court circular on the application of doctrine of primary jurisdiction by September 2002.

- Upon PhilJa's advice, a Benchbook on Primary Jurisdiction was pursued instead of a Supreme Court circular. The benchbook aims to help judges apply the doctrine of primary jurisdiction.⁵
- The benchbook provides judges with:
 1. practical guide in the proper application of the doctrine of primary jurisdiction;
 2. checklist of criteria governing the application this doctrine;
 3. ready reference regarding the jurisdiction of quasi-judicial bodies; and
 4. examples of situations where the application of the doctrine would be appropriate.
- The benchbook was published in coordination with PhilJa and in consultation with various quasi-judicial agencies. EGTA/AGILE printed and delivered to PhilJa 2,470 copies of the benchbook, which were distributed to all trial courts during the quarter.

Court-annexed mediation at the appellate court level institutionalized, sustainable, and measurably reducing docket decongestion by May 2003

- The Alternative Dispute Resolution committee of PhilJa approved the Philippine Mediation Center's (PMC) proposal and action plan for the full integration of mediation in the Court of Appeals (CA). Because of the valuable insights AGILE/EGTA gained from the pilot testing of mediation in the CA, it was able to provide the PMC technical analysis and inputs for their proposal, which the ADR (Alternative Dispute Resolution) Committee endorsed to the SC.
- To successfully integrate appellate court mediation, AGILE/EGTA, at PhilJa's request, completed:
 1. Roundtable discussions on the viable fee structure with CA officials;
 2. Proposed lay-out of a CA PMC office for CA approval;
 3. Final report on CA Mediation which was approved by PhilJa's ADR committee for printing;
 4. Proposed revisions to the guidelines on mediation and accrediting appellate mediators, which were approved by the ADR Committee; and
 5. Initial draft of the CA PMC's operations manual.

OTHER SIGNIFICANT ACTIVITIES

Reduce docket congestion to improve administration of justice in trial courts by June 2004.

- Responding to PhilJa's request, AGILE/EGTA hired a software company (Interlink Business Solutions) to design the CFM (Caseflow Management) software, which was developed in close

⁵ The doctrine fundamentally states that courts cannot and should not resolve a controversy involving a question which is within the jurisdiction of an administrative tribunal, especially where the question demands the exercise of sound administrative discretion requiring the special knowledge, experience and services of the administrative tribunal to determine technical and intricate matters of fact.

coordination with the SC Management Information System Office (MISO), PhilJa, as well as the judges and clerks of court of Pasay City.

- ❑ To get feedback on the CFM software system, AGILE/EGTA presented the preliminary design of the CFM software to regional trial court (RTC) and metropolitan trial court (MeTC) personnel.
- ❑ Taking into consideration the comments from the RTC and MeTC personnel, AGILE/EGTA presented the revised CFM software to Justice Herrera, DCAs Elepaño and Lock, several judges from the RTC and MeTC, clerks of court, and branch clerks. Justice Herrera suggested that a similar presentation be made for the Chief Justice and the Justices *en banc*.
- ❑ AGILE/EGTA helped PhilJa facilitate the training of MISO personnel on systems administration for the CFM system. The training was conducted by Interlink Business Solutions, and ended in September. In addition to this, training on development application started during the quarter.
- ❑ Interviewed court personnel to fill operational gaps between the provisions of the CFM handbook and the actual implementation of the CFM project, and to ensure the usefulness of the CFM handbook to those who will be working with the system.

Implement the National Labor Relations Commission (NLRC) mediation project by December 2003

- ❑ In July, after the successful pilot testing of mediation in the National Capital and Visayas-Mindanao regions, AGILE/EGTA helped conduct an exit workshop for NLRC-NCR mediators. Seventy-five (75) candidates were awarded their certificates of completion, making them certified mediators of the NLRC.
- ❑ AGILE/EGTA submitted a final report to the NLRC on the pilot testing of mediation in the Commission. In addition to exploring the critical issue of mediation structure and fees, the key recommendations made by AGILE/EGTA consultants for reinforcing the use of mediation in the NLRC were:
 1. The NLRC should mandate pre-mediation conferences
 2. There should be sanctions for non-appearance of parties to an agreed upon mediation
 3. A cadre of private mediators should be developed
 4. Importance at looking at incentives structure to gain support for NLRC mediation from labor arbiters and other officials

PLANS FOR THE 4TH QUARTER 2003

CASEFLOW MANAGEMENT

- ❑ Deploy computer hardware to the Pasay City trial courts and install wireless network.
- ❑ Install the CFM software, input live data to the computers and launch the CFM software.
- ❑ Train MISO and court personnel on systems administration and development

FOR CA MEDIATION

- Distribute the final report on CA mediation to various stakeholders and funding agencies.
- AGILE/EGTA will help PhilJa and the CA plan for the implementation of mediation.
- Submit Guidelines on Mediation and Accreditation of Appellate Mediators for the approval of the Supreme Court.
- Continue work on the CA PMC operations manual.
- Propose a viable fee structure for Appellate Mediation.

Results Package 1.1.g. Public Sector Governance Improved (Interim)

Good public sector governance, especially regulatory governance, is a key factor in creating an environment that will attract increased investments into the country. Thus, it is vital that the government minimizes the level of corruption within the bureaucracy. Corruption inevitably raises enterprise and individual transaction costs, heightens business uncertainties, subverts economic competition, and distorts policy decisions, not to mention undermining overall faith in the intentions of public servants.

In response to requests from a range of government anti-corruption agencies, including the Office of the Ombudsman, AGILE/EGTA is providing technical assistance aimed at curbing corruption and improving governance in the Philippines⁶. Specifically, AGILE/EGTA is supporting a series of training seminars that aims to improve the skills of prosecutors in preparing and handling cases as well as help in the Ombudsman's campaign to encourage people to report incidences of corruption.

Ultimately, the set of government initiatives that AGILE/EGTA supports aim to make corruption a high risk, low reward activity.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

The third quarter was a period of intensive project mobilization for all counterpart activities to set the stage for full implementation in the next quarter.⁷

Increased conviction rates in the Sandiganbayan and the regular courts by December 2003.

Assistance to the Office of the Ombudsman

- In an effort to equip Ombudsman with the necessary skills, tools and techniques to effectively prosecute corruption cases, AGILE/EGTA, upon the request of the Office of the Ombudsman, provided technical assistance in the conduct of an intensive prosecution and trial advocacy skills training program. The training program has two modules: the basic level and the advanced level.

⁶ Other agencies being assisted include the Inter-Agency Anti-Graft Coordinating Council (IAAGCC), the Department of Budget and Management (DBM), and the Department of Finance.

⁷ Annex six contains a more detailed report on activities in this area for the quarter.

The basic level module was delivered in three batches, one in May, another in June and the last in August 2003. USAID consultants were invited to attend and provide insights and inputs to improve the delivery of the basic level program.

- AGILE/EGTA is also providing assistance in the curriculum design and planning for the advanced level of the training program to be held starting November 2003 till February 2004.
- AGILE/EGTA worked with private sector attorneys from a major law firm to complete the training design and curriculum for the Ombudsman Advanced Level Prosecutors Trial Advocacy Skills Training Program. The training program's six modules are:
 1. prosecuting a corruption case;
 2. survey and analysis of the latest Supreme Court decisions on corruption cases in the Sandiganbayan;
 3. video presentations on effective cross-examination techniques;
 4. demonstration trials where participants will be required to examine and question expert witnesses, a COA auditor, an NBI documents, medico-legal, and forensic experts, as well as a law enforcement officer who arrests an accused in an entrapment operation;
 5. series of demonstration trials based on actual or hypothetical cases; and
 6. special workshop to develop the corruption prosecution manual for corruption cases.
- To ensure effective and efficient prosecution of cases brought before the Sandiganbayan and the regular courts, AGILE/EGTA helped the Ombudsman begin to draft a Prosecutor's Manual. The Prosecutor's Manual will be patterned after the United States Attorney's Manual, and is envisioned to contain the following information:
 1. a listing of the corruption offenses under Philippine laws
 2. the elements of corruption offenses
 3. facts to be proven
 4. an evidence index for each corruption offense
 5. sample information and charge sheets
 6. sample questions and answers for direct examination
 7. sample arguments for every situation
 8. digests of cases that a corruption prosecutor would need to support each argument.
- AGILE/EGTA finalized the curriculum and program design for the first Ombudsman fact-finding and field-investigation training program. The first module, which AGILE/EGTA will fund, is scheduled in March and April 2004. Mr. Tony Kwok, retired Head of Operations and Deputy Commissioner of Hong Kong's Independent Commission Against Corruption (ICAC-HK) has agreed to be the principal resource person and chief facilitator for the three modules of the training Program.

Assistance to the Department of Finance Central Management Information Office (CMIO)

- To enhance the investigative capability of the Central Management Information Office (CMIO) and increase the risks of conviction for corruption in the finance department and its attached agencies. AGILE/EGTA proposed a curriculum and program design for the Department of Finance (DOF) basic training on Corruption Fact-Finding, Research, and Investigation. DOF

Asst. Sec. Bonoan, who had requested this assistance, approved the draft for the training modules.

Reduced corruption opportunities in high-risk government agencies.

- ❑ AGILE/EGTA finalized the purchase order, budget and deliverables after a series of discussions with the Development Academy of the Philippines (DAP) on the design, work plan, and budget of the Integrity Development Review (IDR) of Key Public Sector Agencies.
- ❑ At the request of DOF-CMIO, AGILE/EGTA organized a series of seminars with Mr. Kwok including a meeting with President Gloria Macapagal-Arroyo. This led to the discussion on ICAC-HK best practices in anti-corruption with President Arroyo and Finance Secretary Jose Isidro Camacho.
- ❑ As a result of Mr. Kwok's 'Corruption Prevention and Investigation' seminars, AGILE/EGTA is currently reviewing the technical assistance request of Presidential Anti-Corruption Commission (PAGC) on formulating a National Anti-Corruption Agenda (NACA) and relevant policy studies and training for graft investigators. PAGC is eyeing the IDR as the monitoring mechanism for the NACA.
- ❑ In response to the DOF request for assistance, AGILE/EGTA prepared a study "Enhancing Integrity in the Department of Finance: Transforming the Central Management Information Office into an Integrity Protection Service". Containing an agency assessment, strategic responses to organizational gaps, and a change management scheme, the report is meant to be a roadmap for the transformation and reorganization of the CMIO into an Integrity Protection Service (IPS). The IPS is intended to be an effective anti-corruption unit that will undertake both corruption control and prevention in the Finance Department.
- ❑ As part of the IAAGCC institution-building program, seven executive scholars were sent to the Hong Kong University (HKU) School of Professional and Continuing Education (SPACE) pioneering 6-week Postgraduate Diploma program in Corruption Studies. Among their expected outputs are 1) assessment report of their respective agency's anti-corruption policies and programs; 2) proposal for their respective agency's anti-corruption plan based on HKU program learning; and 3) work plan for the conduct of echo training of the HKU postgraduate diploma course in corruption studies. The scholars are senior staff representing the following agencies: Office of the Ombudsman, Civil Service Commission, Commission on Audit, Department of Finance, Department of Justice, Presidential Anti-Graft Commission and Office of the President.
- ❑ At the Civil Service Commission (CSC)'s request, AGILE/EGTA helped prepare initial plans for a December 2003 Anti-Corruption Summit Workshop to be held among the constitutional accountability commissions: CSC, the Office of the Ombudsman, and the Commission on Audit. This activity is another result of Mr. Kwok's visit. The summit workshop will focus on crafting a medium-term anti-corruption plan.
- ❑ As part of institution-building activities requested by CSC/IAAGCC, AGILE/EGTA arranged the consultation meeting of Dr. Robert Klitgaard of the Rand University, California with more than 50 IAAGCC officials and staff on 18 August 2003. Dr. Klitgaard presented

recommendations for possible agenda of inter-agency coordination: build capacity and create an enabling policy environment for corruption prevention; and expand anti-corruption coalition to ensure transparency and harness corruption control.

- ❑ The Transparency and Integrity Project (TIP) of the Bureau of Customs (BOC) and World Economic Forum (WEF) Trade Enhancement initiative received endorsement and support from the World Economic Forum (WEF) and the World Customs Organization (WCO). In a meeting on August 15, Dr. Clarete and Dr. Bolongaita gave a briefing on the TIP to WEF Director Alex Wong, BOC Commissioner Tony Bernardo and representatives of the World Bank, Asian Development Bank, and the Japan International Cooperation Agency. The BOC-WEF Trade Enhancement Initiative specifically recommends the conduct of an integrity assessment and program for the BOC.

Increased number of voluntary reports in the high-risk government agencies by May 2004.

- ❑ A survey on whistleblowing was conducted during the Ombudsman Basic Trial Advocacy Skills Training Program. The results of the whistleblowing survey suggest that there is a strong correlation between whistleblowing and voluntary reporting of corrupt practices and the success in the prosecution of graft cases before the Sandiganbayan. The survey results are a major input in the ongoing policy research on whistleblowing.

Reduced perceptions of corruption in the Philippines and improved perceptions of Ombudsman performance and credibility by June 2004.

- ❑ Ombudsman Marcelo sought AGILE/EGTA assistance in the design and implementation of training programs for fact-finding investigators and for graft prosecutors. He also requested assistance for the installation of a case management system for the Office of the Special Prosecutor and a complaint management system for the investigation components/sectors of the Office of the Ombudsman.

PLANS FOR THE 4TH QUARTER 2003

COUNTERPART 1: DEPARTMENT OF BUDGET AND MANAGEMENT (DBM)

- Finalize purchase order and contract of negotiation with the Development Academy of the Philippines for the implementation of the Integrity Development Reviews (IDR) in select government agencies.
- Oversee actual project mobilization for the IDRs, IDR tool review, selection of criteria for IDR assessors and launching of call for assessors.

COUNTERPART 2: BUREAU OF CUSTOMS (BOC)

- Discuss with Commissioner Bernardo alternative funding mechanisms for the implementation of the Transparency and Integrity Project.
- Coordinate with WCO and other BOC stakeholders on mechanics to implement the Transparency and Integrity Project.

COUNTERPART 3: INTER-AGENCY ANTI-GRAFT COORDINATING COUNCIL (IAAGCC)

- Assist IAAGCC in preparing policy research reports on asset disclosure, whistleblowing, gender and corruption, and delineation of contributions of accountability agencies.
- Assist IAAGCC in organizing the Anti-Corruption Summit Workshop of constitutional accountability commissions.
- Initiate preparations for the IAAGCC principals' study visit to ICAC-HK in January 2004.

COUNTERPART 4: OFFICE OF THE OMBUDSMAN (OMB)

- Support the conduct of the Ombudsman Advanced Level Prosecutors Trial Advocacy Skills Training Program.
- Assist in the preparations for the first module of the Ombudsman Fact-finding and Field Investigation Training Program.
- Finalize the corruption prosecution manual.
- Pilot-test the revised corruption prosecution manual before the Sandiganbayan.
- Prepare a process flow study of the case docket system of the Office of the Special Prosecutor in preparation for the installation of an electronic case docket management system.
- Prepare a process flow study of the existing complaint management system of the Office of the Ombudsman Central Preliminary Investigation and Administrative Adjudication Monitoring Office (PAMO) in preparation for the development of an electronic complaint management system.
- Prepare a process flow study of the existing complaint management system of the Office of the Deputy Ombudsman for Mindanao as a pilot area for the development of an integrated electronic complaint management system for the Office of the Ombudsman Central Office and its sectors (Luzon, Visayas, Mindanao and the Military).

COUNTERPART 5: DEPARTMENT OF FINANCE CENTRAL MANAGEMENT INFORMATION OFFICE (DOF-CMIO)

- Assist in the conduct of the CMIO Graft Fact-Finding, Investigation and Research Training Program.
- Continue support for organizational restructuring of the CMIO towards the establishment of an Integrity Protection Service (IPS).
- Prepare proposal for a performance management system for the CMIO/IPS and a comprehensive incentives and rewards program for its personnel.

POLICY OUTCOME 1.2 REVENUE ADMINISTRATION STRENGTHENED

Results Package 1.2.a. BIR Made More Transparent and Efficient in Revenue Generation

Tax revenue as a percentage of national income in the Philippines is low and has been falling. If this erosion in tax effort continues it will preclude the rapid development of hard (e.g., roads, airports) and soft (e.g., education, law enforcement) public sector infrastructure necessary for sustained economic development. Improving the effectiveness and efficiency of tax administration appears to have greater potential for increasing tax effort under the current environment than making changes to tax policy. Knowing what needs to be done is the easy part. Knowing how to get the necessary work done is far more complicated and requires understanding of the institutions involved and the incentive structures of individuals within and outside the BIR.

AGILE/EGTA support to the BIR focuses on helping the BIR find ways to improve tax revenues as measured by the tax effort. In the short run, this involves improvements to systems and procedures that can immediately boost revenue e.g. VAT audits, "stop-filer" initiatives, internal audits. These measures are important for revenue enhancements as well as for providing the political "breathing space" for necessary longer-term improvements in the tax administration apparatus.

For the longer-run, the DOF/BIR focus is on introducing changes that will result in a more professional tax administration that is results- and performance-driven, in which tax agents are compensated well and in which institutional and individual incentives are aligned for greater efficiency and effectiveness.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

REVENUE ENHANCEMENT

Revenue Memorandum Order (RMO) issued on VAT benchmarking and VAT audit by July 2002.

- The VAT Benchmarking study conducted by AGILE/EGTA in the first quarter of 2003 contributed to development of the Taxpayer Compliance Report Card (TCRC) or the "CEO Report." The TCRC is generated on a quarterly and annual basis and sent to CEOs by mail or e-mail. It shows a firm's historical performance on tax payments vis-a-vis the industry benchmark. A big variance from the industry benchmark can make a firm a target for priority audit.
- No RMO was ever issued for VAT benchmarking. Instead, the BIR chose to use the information from the VAT benchmarking exercise to develop the Taxpayer Compliance Report Cards or "CEO Reports."
- AGILE/EGTA Provided assistance to the BIR in analyzing aggregate results of the tax amnesty, Voluntary Assessment and Abatement Program (VAAP), which aims to generate new benchmarks on income tax and VAT compliance. These benchmarks will be the basis for selecting taxpayers for priority audit and will be used in the "CEO Report".⁸

⁸ The CEO Report also known as the Tax Compliance Report Card (TCRC) contains records of the taxpayers' major tax payments vis-a-vis the industry benchmark or standard.

RMO creating BIR Internal Audit Teams issued by July 2002.

- ❑ Commissioner Parayno has opted for a small-scale audit of closed Letters of Authority because he has been unable to obtain staff internally to conduct internal audits.

REORGANIZATION FOR EFFECTIVE REVENUE COLLECTION

BIR re-engineering is included in State of the Nation Address (SONA) as critical legislation by July 2002.

- ❑ President Gloria Macapagal Arroyo included the National Revenue Administration (NRA) bill, which seeks to create a new Revenue Authority in her State of the Nation Address 28 July 2003. Prior to this, she had also sent a letter to both the House of Representatives and the Senate certifying the bill as urgent. In a subsequent meeting held in early August, the Legislative Executive Development Advisory Council (LEDAC) included the bill as a priority bill and the President stressed to legislative leaders the importance of obtaining its passage.
- ❑ At the request of the DOF, AGILE/EGTA helped provide technical advice explaining why passage of the NRA bill was critically needed for long term improvements in revenue collection.

The BIR re-engineering "Blueprint" is accepted by the DOF, BIR and other GOP policy-making units by February 2002.

- ❑ During the quarter, Commissioner Guillermo Parayno presented his vision for a strengthened tax administration to the BIR organization and their guests during the BIR's 99th year celebration.
- ❑ AGILE/EGTA is helping the Commissioner convert his Information Communications Technology (ICT)-driven vision into a blueprint, and combine this with AGILE/EGTA's proposed blueprint on systems and processes. The Commissioner plans to present this blueprint for the creation of a strengthened Revenue Authority to the Board of the National Revenue Authority (NRA) if the NRA bill is implemented or to his successor, in the event that the NRA bill is not passed during this administration.
- ❑ The blueprint entitled, "A Blueprint for BIR Development Towards 2010", is being revised to incorporate the priorities of Commissioner Parayno for strengthening the BIR.

Legislation is passed authorizing reengineering of the BIR by February 2002.

- ❑ The Committee Report of the Ways and Means Committee of the House of Representatives on the substitute version of the combined IRMA and NARA bills was submitted to the Rules Committee 22 August. House Bill 6435 is scheduled for second reading once Congress resumes sessions on October 6.

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The BIR is able to meet an 11.5% tax effort (0.8 percentage point increase from 2001) (BIR tax revenue/GDP) by 2003.

- ❑ BIR collections in July and August 2003 were better than 2002 and exceeded the 2003 goal for the same months. Latest figures on the BIR's cumulative collections as of August 2003 stood at P281.4 billion higher than P253.1 billion for the same period in 2002.

PLANS FOR THE 4TH QUARTER 2003

- ❑ At DOF's request, arrange meetings with sponsors of the NRA bill and DBM.
- ❑ A blueprint for the creation of a strengthened Revenue Authority, with features combining both Commissioner Parayno's ICT-driven vision and the systems and processes identified by AGILE/EGTA, is subjected to scrutiny through a series of workshops.
- ❑ At the commissioner's request, AGILE/EGTA will help draft the final blueprint, which combines the Commissioner's ICT-driven vision as well as systems and processes earlier identified by AGILE/EGTA.
- ❑ Develop new benchmarks from the VAAP (Voluntary Assessment and Abatement Program) database to update the benchmarks used in the TCRC.

Results Package 1.2.b. Trade Facilitation, Audit and Risk Management Capacity of BOC Strengthened

The Bureau of Customs (BOC) presents a different policy and institutional challenge compared with the Bureau of Internal Revenue. Both are important revenue-generating agencies of the government. From an economic point of view, however, the more important role of the BOC is likely to be in trade facilitation, reducing the transaction costs associated with imports of final and intermediate products and thereby contributing to greater economic activity. Thus, the task before the BOC is to improve the effectiveness of its collection of customs and other tax revenues and allow more rapid entry of shipments into the country.

AGILE/EGTA assists the Bureau of Customs (BOC) in implementing the Customs Valuation Law, which aims to remove discretion in customs processing and facilitate trade. AGILE/EGTA activities are expected to contribute to a post-entry audit (PEA) capacity of the BOC that (a) reduces revenue leakage, (b) is transparent, and (c) is resistant to discretion and corruption. AGILE/EGTA also helps the Commissioner and BOC staff identify ways to improve effectiveness, efficiency and transparency in the collection of customs duties and other taxes payable at the BOC.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

The post-entry audit of at least 4 importers are completed by March 2003 based on a 2003 Audit Plan whose selection criteria has been approved in December 2002.

- ❑ The Bureau of Customs, with assistance from AGILE/EGTA, is taking important steps to undertake post entry audits. However, to carry out these audits, the following are needed:

1. Customs Administrative Order (CAO) to provide the basis for the selection of auditees
 2. Staffing of the Post Entry Audit Group (PEAG).
- At the request of BOC, AGILE/EGTA helped draft the CAO, which will determine the selection criteria of possible auditees and presented this draft to the head of the PEAG.
- During the quarter, AGILE/EGTA wrote the Commissioner a memorandum about the purpose of an annual audit program, namely to:
1. ensure transparency in the selection of auditees
 2. shield the Commissioner from political pressure
 3. provide the basis for the PEAG's performance evaluation
 4. enable the Commissioner to exercise his oversight function over the PEAG's operations.
- The PEAG Board of Examiners started recruiting personnel for the PEAG during the quarter. AGILE/EGTA, responding to the PEAG's request, assisted in the following areas:
1. trained members of the Board of Examiners to improve their interviewing skills;
 2. monitored the conduct of interviews, and
 3. provided secretariat services in the meetings and deliberations of the Board of Examiners.

Customs Memorandum Order (CMO) providing for the revised systems and procedures for the Super Green Lane (SGL) program approved and issued by December 2002.

- The Finance Secretary approved the Customs Administrative Order (CAO 6-2003) amending the SGL guidelines. The major amendments relate to the following:
1. SGL Fees are restructured from the fixed fee of P2,500 to a graduated schedule based on FOB value of imports which range from P500 to a maximum of P2500
 2. SGL accreditation based on the top 1,000 importers in terms of duties and taxes paid the previous year have been relaxed. The new rules allow any regular importer with a one-year record of importation and willing to undergo a post entry audit can qualify for SGL accreditation.
- The draft Customs Memorandum Order providing the implementing rules of CAO 6-2003 had earlier been submitted by AGILE/EGTA to the BOC Deputy Commissioner of Assessment and Operations, who will endorse it to the Commissioner as soon as the CAO is approved.

CMO providing measures to streamline, standardize, and publicize SSP border controls in the assessment program of importers are approved by the Commissioner to be implemented by March 2003.

- To ensure the proper description of goods and check against any misdeclaration and undervaluation, the BOC Commissioner approved a Customs Special Order creating a Steering Committee to formulate a glossary for the description of goods to be incorporated into the BOC computer system. AGILE/EGTA assisted the Steering Committee conduct a series of

workshops, collating, reviewing and finalizing the draft summary tables on the description of goods, which will be presented to the private sector in October 2003.

- AGILE/EGTA completed the first draft of the Information Systems Plan (ISP) report for BOC's computerization.⁹ The report proposed an IT architecture based on BOC's needs, and estimated costs of hardware and software applications. This will be a basis for feasibility studies that BOC may want to undertake to ensure sustainable provision of computer services.

PLANS FOR THE 4TH QUARTER 2003

- Prepare documentation of the PEAG operations manual and training program, which will be turned over to the Commissioner.
- Prepare summary tables on the description of goods and conduct consultations with the private sector.
- Follow-up with BOC on approval of the implementing guidelines for CAO 6-2003, the amendments to SGL guidelines, so that personnel training can be conducted and an information campaign on the SGL amendments can be launched.
- Help the BOC build a database on the Automated Customs Operating System (ACOS) transactions and prepare programs for auditee selection and importer profiling for the PEAG and the Liquidation and Billing Division.¹⁰
- Finalize the Information Systems Plan report.

Results Package 1.2.c. Tax Policy More Efficient and Equitable

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2002

- As per request of Department of Finance (DOF), AGILE/EGTA provided two senior tax lawyers, namely, Attys. Florecita Flores and Mariano Ereso, to assist an inter-agency Tax Ruling Review Committee in reviewing 3,844 rulings issued by the Bureau of Internal Revenue (BIR) National Office between January 1, 1998 and August 31, 2002.
- The Tax Ruling Review Committee was formed through Department Order 77-02 signed by Secretary Jose Isidro N. Camacho on December 9, 2002. It consists of representatives from the DOF, the National Tax Research Center (NTRC) and the BIR.
- The goals of the review are to ensure the consistency of the various rulings, and, if necessary, reconcile conflicting rulings, clarify vague rulings, or reconsider rulings where an interpretation of the tax laws therein is not supported by statutes or general principles of the law;

⁹ The ISP report was based on a workshop facilitated by AGILE/EGTA in July 2003 where BOC management identified the bureau's information and computerization needs.

¹⁰ This will depend on whether AGILE/EGTA consultants are allowed access to Automated Customs Operating System (ACOS) data and a copy of the SPSS software.

Results Package 1.2.d. Local Government Financing Improved

With important fiscal pressure being exerted on the national budget, LGUs can not expect to get much more in the way of transfers from the national revenues in the form of the Internal Revenue Allotment (IRA). They need to develop their own sources of financing for the public services that have been devolved to them under the Local Government Code (LGC) of 1991.

While the LGC created various financing mechanisms for LGUs, efficient and transparent regulatory mechanisms are not yet in place. As a result, LGU financing in the Philippines remains fragmented and confusing. Furthermore, despite revenue sharing arrangements such as the Internal Revenue Allotment (IRA), many LGUs remain unable to self-finance expenditures deemed necessary for public services and infrastructure.

AGILE/EGTA focuses its efforts and resources on helping LGUs and national government agencies involved in the oversight of local government units (DOF Bureau of Local Government Finance) increase financing options available to local governments.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Signing of a Memorandum of Agreement between the DOF-BLGF and the DBM for a single financial/fiscal reporting system for LGUs by July 2002.

- The Department of Budget and Management has commented on the August 2003 draft Memorandum of Agreement, initially drafted by AGILE/EGTA. In its comments, the DBM pointed out:
 1. The DOF-BLGF should aggregate the Statement of Income and Expenditures Reports into the Statement of Revenues and Expenditures reporting format of the DBM
 2. The transmission of information should be between the BLGF Central Office and the DBM Central Office
 3. The DBM may still pursue data collection from LGUs through their Budget Officers for whatever purposes the DBM may see fit
- AGILE/EGTA coordinated with the Municipal Development Fund Office on potential provincial candidates for the LGU Program Loan pilot.

PLANS FOR THE 4TH QUARTER 2003

- Conclusion of remaining activities and informing clients (BLGF, LGUGC, and FINEX) of closedown of project.

POLICY OUTCOME 1.3 EXPENDITURE MANAGEMENT STRENGTHENED

Results Package 1.3.a. Bureaucracy More Efficient Through Public Expenditure Management (PEM) and Reengineering

Results orientation is as critical to good governance in the public sector as it is in the private sector. The Public Expenditure Management (PEM) approach to government budget management is based on setting budgets and making expenditures according to output or outcome-based priorities.

The Department of Budget and Management (DBM) is at the forefront of the effort to create a more efficient bureaucracy. AGILE/EGTA assists the DBM in institutionalizing Public Expenditure Management (PEM), which links the government planning and budgeting processes. It has also provided some assistance to the government in its "Reengineering the Bureaucracy" initiative.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

A General Appropriations Act (GAA) 2004 that incorporates agency performance indicators and Major Final Output (MFO) aligned with programs, activities and projects (PAPs) of the central government approved by January 2004.

- At the request of Department of Budget and Management (DBM) Undersecretary Laura Pascua, AGILE/EGTA assisted in writing a report on the Major Final Outputs (MFOs) and Performance Indicators (PIs) expected of each Department. The report contains the following information:
 1. comparison of the MFO recommended by the DBM and the National Economic and Development Authority (NEDA) for each department and reactions of the departments to recommendations made by DBM and NEDA; and
 2. specific PIs for each MFO.
- At the request of Undersecretary Pascua, AGILE/EGTA prepared a proposed circular outlining the main results of the MFO and PI study and the information that 67% of the departments have either agreed to DBM and NEDA's recommendations or have revised the recommendations but were still acceptable to DBM. This circular will be communicated to NEDA and the different departments.
- AGILE/EGTA consolidated the DBM and NEDA's suggested MFOs and PIs of the departments based on the proposed 2004 General Appropriations Act (GAA) and submitted to DBM Usec. Pascua an analysis of the quality of the MFOs and PIs.
- AGILE/EGTA submitted to Undersecretary Pascua reports on how other countries implemented the Organizational Performance Indicators Framework (OPIF) to help DBM communicate and implement the OPIF. DBM will inform the departments/agencies on the results of this review on the MFOs and PIs.

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OTHER SIGNIFICANT ACTIVITIES

Implementing Public Expenditure Management

- As requested by Department of Budget and Management (DBM) Undersecretary Laura Pascua, AGILE/EGTA submitted a report on the findings by the Development Academy of the Philippines (DAP) on the following: (1) Training Needs Analysis for the DBM; (2) Documentation of the so-called Agency Performance Review (APR) (first semester 2002). The APR is a component of Public Expenditure Management (PEM) that addresses the need to monitor whether agencies are performing vis-à-vis their plans and to evaluate the level and reasonability of agency expenditures.

Passage of the reengineering bill

- At the request of the DBM, AGILE/EGTA prepared and submitted a report documenting recent DBM-led efforts towards government reengineering. The report suggests that it is very unlikely for the rationalization/reengineering program to be implemented because of Commission on Elections (Comelec) restrictions affecting:
 1. transfer of employees from one agency to another starting January 2004 due to the upcoming national elections in May 2004, and
 2. hiring of employees starting 45 days prior to elections
- At the request of DBM Undersecretary Pascua, AGILE/EGTA assisted in getting the recommended World Bank-funded consultants for the program's information education and communication campaign on board. These consultants developed a communication plan, conducted workshops with information officers of various departments and started the program's information campaign in the media.

PLANS FOR THE 4TH QUARTER 2003

- As agreed with DBM Director Amelita Castillo and former DBM Undersecretary Cynthia Castel, AGILE/EGTA will assist the PCEG in drafting a report that documents the efforts for the Rationalization Program. This report will be composed of a series of articles with the following topics: (1) past reorganization efforts; (2) present administrative reform; (3) analysis of present legislative proposal on reengineering; (4) change management in the public sector.
- AGILE/EGTA will continue providing research assistance to DBM Undersecretary Laura Pascua on activities related to Public Expenditure Management (PEM).

Results Package 1.3.b. Improved Management of Contingent Liabilities

Excessive exposure to fiscal risk creates fiscal instability and uncertainty that is detrimental to steady economic growth. There are a number of ways in which public sector fiscal risk exposure grows. First, the more a government commits itself to provide beyond basic public services, the more implicit fiscal risks and contingent liabilities it accumulates. Examples of this include social

security systems and support to banking systems. Coverage of the loan obligations of state enterprises adds further fiscal risk and contingent liabilities to the government's balance sheet. Finally, when the government attempts to reduce risks to private sector proponents in Build-Operate-Transfer (BOT)-type infrastructure projects, it also accumulates contingent liabilities.

AGILE/EGTA continues to provide DOF technical assistance in correctly assessing the costs of loan guarantees as well as other non-cash project enhancements that build up contingent liability exposure.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Estimate of expected costs of 12 BOT projects, annually and through life of each project by February 2003.¹¹

- Continuing assistance to the DOF, AGILE/EGTA has completed the review of project documents for 10 out of the 24 BOT projects. This review being done in conjunction with the DOF Contingent Liabilities Unit has resulted in key contract information, including CL triggers being put into an Liability Monitoring System (LMS) that the Department of Finance Management Information Systems Unit can use.
- The status of analysis of BOT projects are as follows:

Completed	10
Advanced Stage of Completion by the AGILE/EGTA Team	3
Pending	4
Untouched	<u>7</u>
 Total	 24

Comparative credit rating of GOCCs based on most recent COA-audited financial statements, by February 2003.

- AGILE/EGTA has already completed work on the comparative rating of GOCCs in January 2003 but this was not reviewed and presented to the Department of Finance until mid-2003. Following the presentation made in July 2003, Undersecretary Nieves L. Osorio suggested that the CL Unit familiarize itself with the financials of GOCCs, which operate under a different system of accounting for their balances. Usec. Osorio expects the CL Unit to be thoroughly familiar with the accounts of these GOCCs, which show unexpected results from the comparative credit rating.
- Comparative credit rating entails ranking GOCCs based on their liquidity, financial leverage, profitability, and other financial indicators to measure their debt-service capability. These rankings guide the DOF in formulating future policies on guarantees.

¹¹ The February 2003 deadline was set in the third quarter of 2002. However, additional time was needed because a more detailed review was required.

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PLANS FOR THE 4TH QUARTER 2003

- The CL Study Team will prepare a Circular that will institutionalize a system for ensuring compliance on the part of Implementing Agencies of BOT projects on a monthly, quarterly or annual basis. The Circular is being drafted upon the initiative of Usec. Osorio who heads Government's Inter-Agency Task Force on Contingent Liabilities.

- The team will also be refining and perfecting the software that will facilitate monitoring and management of CLs. At the end of the year, AGILE/EGTA expects the Contingent Liabilities module of the Liability Management System (LMS) of the DOF to be 80% populated with electronic copies of contract documents, legal analyses, financial models, and assessments on the status of CLs for non-power projects.

POLICY OUTCOME 1.4 GOVERNMENT PROCUREMENT MADE TRANSPARENT AND EFFICIENT

Results Package 1.4.a. GOP Procurement System More Efficient and Transparent

Public sector governance "hits the road" in the mundane task of procurement. As in other countries, huge sums of money are involved in Philippine public sector procurement, and need to be used efficiently and effectively. AGILE/EGTA is supporting initiatives of the government aimed at establishing a public procurement system that is characterized by improved transparency and efficiency, decreased graft and corruption, and reduced costs. A public procurement system such as this should result in improved public confidence that government funds are being used well.

The DBM is taking the lead in developing an improved government procurement system. AGILE/EGTA is supporting DBM and the Government Procurement and Policy Board (GPPB) in their efforts to expeditiously implement the General Procurement Reform Act.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Passage of Government Procurement Reform Act (GPRA) by Sept 2002 and its IRRs prepared by December 2002.

- At the request of Department of Budget and Management (DBM) Undersecretary Laura Pascua and concurrent Chairman of the Technical Working Group (TWG) on Procurement, AGILE/EGTA provided funding for seven IRR drafting workshops. These workshops provided a venue for involved officials and staff of the TWG and the Joint Congressional Oversight Committee to deliberate on the provisions of the GPRA IRRs.
- President Arroyo signed the implementing rules and regulations (IRRs) of the Government Procurement Reforms Act (GPRA or Republic Act 9184) on September 18. The GPRA IRRs were advertised in newspapers on September 23, and will be effective starting October 8. They will only be applicable to procurement that is fully domestically funded. Procurement funded by international financial institutions (IFI) will be governed by the relevant IFI guidelines.

**PHILIPPINE GOVERNMENT SPEEDS UP PROCUREMENT PROCESS; IMPLEMENTING RULES FOR
PROCUREMENT LAW APPROVED**

Efforts to streamline and speed up the procurement process got a big boost with the approval of the implementing rules and regulations (IRRs) of the Government Procurement Reform Act (GPRA or Republic Act 9184). President Gloria Macapagal-Arroyo signed the IRR on September 18, 2003.

As mandated by the GPRA, the Government Procurement Policy Board (GPPB) and the Joint Congressional Oversight Committee formulated the IRRs. The Secretary of the Department of Budget and Management (DBM) chairs the GPPB.

With the IRRs in place, the country now has a single set of rules for procurement activities a) that are fully-domestically funded; b) involving goods and services, infrastructure projects and consulting services; c) starting from procurement planning to contract implementation d) of all government entities, including local government units.

The GPPB has begun to train procurement officers of different government entities to ensure the strict implementation of the GPRA and its IRRs. The World Bank-funded Procurement Watch Inc. (PWI) is also expected to begin training non-governmental organizations and professional groups in their roles as observers in the procurement process. The GPRA calls for the participation of NGO observers in all government procurement Bids and Awards Committee deliberations.

At the request of the GPPB, USAID-EGTA Project provided technical assistance for the formulation of the IRR in the form of legal advice, technical reviews and workshops to gather the stakeholders. At the same time, the GPBB sought assistance from the Project in crafting a procurement manual to be submitted in January 2004.

USAID-EGTA's assistance to the DBM in procurement reforms date back to the submission of a diagnostic study in August 1999, which identified areas in government procurement needing urgent improvements.

Standard forms and procurement manuals for goods, civil works and consulting services prepared by June 2003.

- ❑ At the request of DBM Undersecretary Pascua, AGILE/EGTA and representatives from the Asian Development Bank (ADB) and the World bank (WB) participated in the workshop and subsequent meetings conducted by Government Procurement Policy Board (GPPB) to review the standard bidding documents (SBDs). The standard forms, as mandated by law must be approved 30 days after the approval of the IRR, are being reviewed by the GPPB Technical Services Office.
- ❑ Responding to the request of DBM Undersecretary Pascua, AGILE/EGTA brought together a team of procurement experts, most of whom are members of the TWG, to craft the following manuals:
 1. Procurement Systems and Procedural Manual for the Procurement of Goods and Services;
 2. Procedural Manual for the Procurement of Infrastructure Projects; and
 3. Procedural Manual for the Procurement of Consulting Services

- The proposed manuals will be submitted on January 2004 for the Government Procurement Policy Board's (GPPB) approval.
- After reviewing the IRRs of the GPRA, Apple Taduran developed easy-to-follow materials that may be used as a template for the procurement manual. These are:
 1. basic contents of each manual, with reference to the corresponding provisions in the procurement law and its IRRs; and
 2. flowcharts of procurement procedures and their corresponding timelines.

Monitoring reports by the CSOs, led by PWI, on procurement process of key Departments including District Offices (DOH, DepEd, DPWH, DBM-PS) submitted by June 2003 and a follow-up report by December 2003.

- Under the new AGILE/EGTA Protocols assistance to Procurement Watch, Inc. (PWI) is no longer being provided.
- AGILE/EGTA attended a round-table discussion organized by the Procurement Watch Inc. (PWI), which presented its observations on the bidding process in a number of government agencies. Representatives from 11 government agencies attended the said activity.
- PWI, with funding from the World Bank, will start conducting workshops on the new procurement law among civil society groups to encourage their participation in government procurement activities as observers.

OTHER SIGNIFICANT ACTIVITIES:

ARMM and Procurement

- AGILE/EGTA has been coordinating with the USAID-funded Growth and Equity in Mindanao (GEM) project to assist them in their efforts to help the government of the Autonomous Region of Muslim Mindanao (ARMM) adopt a new procurement law. GEM is planning to provide ARMM technical assistance by providing the following:
 1. training on the new procurement law, and
 2. consultants assigned to help the ARMM be connected to the Government Electronic Procurement System (G-EPS).
- AGILE/EGTA facilitated attendance on the part of GEM's Jose Deles Jr. and the Chairman of the Bids and Awards Committee (BAC) of the ARMM-Department of Public Works and Highways (DPWH) in the Government Procurement Policy Board (GPPB) training on the new law in Davao City on September 17.

PLANS FOR THE 4TH QUARTER 2003

- At DBM's request, AGILE/EGTA will start working on the procurement manuals.
- AGILE/EGTA will continue coordinating with GEM's Jojo Deles on other possible needs in procurement at the ARMM.

POLICY OUTCOME 1.5 BANK SECRECY REDUCED AND BANKING SECTOR BETTER REGULATED

Results Package 1.5.a. Money Laundering Reduced

The Philippines is on the OECD Financial Action Task Force (FATF) List of Non-Cooperative Countries and Territories, ("FATF List") with respect to combating money laundering. The FATF has advised the Philippines that to ensure the integrity of the Philippine financial system and make it more impervious to "dirty" money, certain measures need to be taken. These measures -- criminalizing money laundering and making bank accounts and other financial institution records more accessible to law enforcement -- will also facilitate removal of the Philippines from the FATF List. Passage, in 2003, of a law amending the Anti-Money Laundering Act (AMLA) of 2001 and the development of an implementation plan were critical steps towards improving the anti-money laundering regime and removal from the "FATF List."

AGILE/EGTA is helping the Anti-Money Laundering Council (AMLC), a body created by the new law, address FATF concerns about the effectiveness of AMLA in preventing money laundering. AGILE/EGTA is also helping the AMLC build up its capacity to implement the AMLA.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

STRENGTHENING THE CAPACITY OF THE AMLC SECRETARIAT

The Anti-Money Laundering Council's (AMLC) computer database is set-up by March 2003

- The AMLC computerization is a key component of the implementation plan. This plan will assist the Financial Action Task Force (FATF) in evaluating the actual implementation of the country's reforms on anti-money laundering that could lead to the removal of the Philippines from the Non-Cooperative Countries and Territories List (NCCT).
- A draft of the Information Systems Plan (ISP) was completed and submitted to AMLC for its review. The ISP incorporated discussions held by AGILE/EGTA with the members of the AMLC Secretariat and information on the IT systems of other Financial Intelligence Units (FIUs) in the region. Pertinent information obtained from previous studies done by AGILE/EGTA and the ADB on the AMLC's information system requirements were also incorporated into the ISP.
- AGILE/EGTA prepared money-laundering typologies, which will be used for test data of the systems proposed by computer vendors. Following submission of proposals during the Request for Information phase, the AMLC Secretariat will utilize the performance of the proposed systems in screening for money laundering situations. The typologies included commonly used methods of money laundering activities as well as recent cases identified by the AMLC.

FATF RELATIONS

Submission of anti-money laundering implementation plan to FATF by June 2003.

- ❑ AGILE/EGTA assisted in the compilation of information for the anti-money laundering implementation plan. The Information Systems Plan completed by EGTA/AGILE is a major component of the requirements of the Asia Pacific Review Group (APRG) evaluation. The APRG Mutual Evaluation is scheduled for November 2003. One of the requirements is the accomplishment of a self-assessment form. AGILE/EGTA provides advice to the AMLC Secretariat on questions about the self-assessment form.

RAISING PUBLIC AWARENESS AND ACCOUNTABILITY

Training and awareness building on the AMLA and its implementing rules and regulations for various sectors by June 2004

- ❑ AGILE/EGTA continued to identify training opportunities for the BSP examiners and the AMLC personnel to enhance their capability to implement the requirements of the Anti-Money Laundering laws. AGILE/EGTA facilitated the conduct of two half-day seminars by Mr. Peter Hazelwood for the BSP personnel.¹²
- ❑ AGILE/EGTA identified overseas training program on Anti Money Laundering. A SOW was submitted and approved for the attendance of one BSP examiner in the training program organized by the Federal Financial Institutions Examination Council (FFIEC) in Arlington, Virginia from November 18-21, 2003.
- ❑ AGILE/EGTA assisted in the selection of four BSP examiners in the Anti-Money Laundering Seminar sponsored by the U.S. State Department to be held on October 06-10, 2003 at Honolulu, Hawaii.
- ❑ AGILE/EGTA is currently coordinating with the Financial Services Volunteer Corps (FSVC) for anti-money laundering training activities. AGILE/EGTA also explored with a compliance officer of a foreign bank the possibility of conducting training activities on money laundering.

PLANS FOR THE 4TH QUARTER 2003

STRENGTHENING THE CAPACITY OF THE AMLC SECRETARIAT

- ❑ Assist the AMLC in the development and finalization of the Transaction Monitoring System and Data Collection and Initial Analysis Phase (TMS-DCIA) hardware and software specifications.
- ❑ Assist the AMLC in identifying options for the procurement of the hardware and software packages to support the interim system.

¹² Mr. Hazelwood is a frequent speaker and widely respected expert on money laundering. He oversees JP Morgan's Regional Compliance Programs and works with the Fraud and Money Laundering Division of the Hongkong Police.

- Assist in the coordination or linkages with other regulatory agencies for data sharing.
- Continue to provide assistance and technical support and recommendations, as requested by the AMLC, in the recruitment of professional staff and completion of its operating manuals and procedures.

RAISING PUBLIC AWARENESS AND ACCOUNTABILITY

- Conduct training activities in coordination with the Financial Services Volunteer Corps (FSVC) for the BSP examiners on anti-money laundering issues.
- Follow-up the communication with the compliance officers of foreign banks for additional training opportunities for BSP examiners and AMLC personnel.
- Continue to identify and provide assistance to the continuing education of the BSP examiners and the AMLC personnel on the latest issues and guidelines on money laundering.

Results Package 1.5.b. Bank Supervision Strengthened

To improve the quality of loans within the banking system, AGILE/EGTA is helping the Bangko Sentral ng Pilipinas (BSP) review credit risk management standards in banks, strengthen governance through transparency and higher-quality bank management, upgrade regulatory standards, and build up the independence and capability of BSP.

AGILE/EGTA assistance seeks to help improve BSP's ability to identify and correct both individual bank and systemic banking problems that threaten the stability of the banking industry and its ability to mobilize savings for development. It also aims to improve the ability of banks to identify and manage credit and other forms of banking risk.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

BANKING SUPERVISION STRENGTHENED

Improved examination procedures for banks and reporting of non-performing assets by June 2003

- AGILE/EGTA provided assistance to the Supervision and Examination Sector (SES) of the BSP in the preparation of the Risk-Focused Manual on supervision and examination. The manual provides the philosophy and risk assessment framework for assessing risks throughout the financial institution. It explains the offsite surveillance mechanism for identifying potential problems particularly in between examination periods. It defines the database of information that will be required to understand the risk tolerance, culture and internal and external factors affecting banking institutions.
- The draft Risk-Focused Manual was presented to Deputy Governor Alberto Reyes, heads/directors of the four SES Departments and the Supervisory Reports and Statistics Office (SRSO) for comments. AGILE/EGTA prepared a matrix of the comments, which included clarification on policy considerations to procedural and formatting amendments. A revised draft

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of the manual is currently being prepared for the BSP's Supervision and Examination Sector (SES) review.

- ❑ AGILE/EGTA began drafting the Manual of Examination for Rural Banks at the request of the BSP's SES, which considered a separate manual for rural banks to be a more effective way to help rural bank examiners than using the Risk Focused Supervision Manual. A separate task force will review the draft Manual of Examinations for Rural Banks.
- ❑ At the request of the SES, AGILE/EGTA prepared a brief study on loan sampling methodologies. Sampling is a tool used in the loan review to help examiners evaluate the qualitative and quantitative aspects of the bank's loan portfolio in order to assign an asset quality rating.
- ❑ SES started reviewing methodologies for loan examination to ensure a more objective process for loan review. The AGILE/EGTA study provided information on the loan sampling methodologies used by banking supervisors in the region and in the US. A report on the study undertaken was submitted to the office of Dep. Gov. Reyes for his initial comments and further instructions.

Improved standard for evaluation of market risk of banks by March 2003.

- ❑ AGILE/EGTA's Banking Adviser lectured on the framework for developing the Foreign Banking Organization system for the BSP. The lecture included information on the development of such a system at the US Federal Reserve Bank.
- ❑ Another lecture was conducted at the request of SES on the Source of Strength Assessment (SOSA). The SOSA is an important tool for understanding the operation and the risk posed by the operations of foreign banking organization.
- ❑ The lectures/presentations made by AGILE/EGTA on the Risk Management, Operational Controls, Compliance and Asset Quality (ROCA) and SOSA led to the creation of examination forms. AGILE/EGTA assisted the BSP committee in-charge of the ROCA and SOSA systems adoption, develop the Philippine Foreign Bank (PFB) Input Form which serves as:
 1. a checklist for the use of examiners of foreign banks
 2. an overview of the PFB's main office
 3. a review of the home office system of supervision and accounting system and the manner of measuring transfer risks
 4. a source of information on the conditions of the operating environment of the main office
 5. a history of support for operations of foreign branches
 6. a listing of banking laws
 7. a history of systemic banking issues in the country of origin.

SPAV AND SECURITIZATION

BSP Examination procedures manual (sections pertaining to SPAV and Securitization) completed by December 2003.

- The lukewarm response of the banking sector to the SPV Law made it less urgent for the BSP to release the accounting treatment rules for losses arising from SPV-related transactions. Although approved by the Monetary Board, the BSP is still waiting for an actual SPV transaction to occur before circulating the rules.
- AGILE/EGTA reviewed BSP's guidelines regarding the sale/disposition of nonperforming assets by commercial banks and methods used for the revaluation of subordinated notes, which banks will issue as partial payment for the transfer of bad assets under the SPV Law. The review was undertaken to compare the accounting guidelines of the BSP with international best practices.

PLANS FOR THE 4TH QUARTER 2003

BANKING SUPERVISION STRENGTHENED

- Continue to consolidate and incorporate comments from the SES departments to come up with an updated/final version of the Risk-Focused Manual on supervision and examination for submission to the Monetary Board.
- Prepare a draft of the manual for the risk-focused examination and supervision of rural banks.
- As requested by SES, prepare a manual for specialty areas such as Trust and Fiduciary Activities, Treasury Operations, Corporate Governance and Anti Money Laundering.
- Provide technical reports and research materials for the development of rules and standards for evaluating and managing risks, compliance with BASLE 2 Capital Adequacy requirements and reporting format.
- Provide training activities that would enhance the qualitative evaluation capability of bank examiners in the conduct of on and off site examination.

ACHIEVEMENTS As per Work Statement (June 2001- May 2003 ¹³)	STATUS
Results Package 1.1.a Capital Markets Better Regulated	
<ul style="list-style-type: none"> <input type="checkbox"/> Association of Pre-Need Planholders is formed by September 2002. <input type="checkbox"/> Pre-Need Company scorecard published by November 2002. <input type="checkbox"/> Association of Pre-Need Planholders holds three seminars or roundtables by February 2003. <input type="checkbox"/> Two or more significant SEC rule changes implemented to improve the regulation of the pre-need industry by December 2002. <input type="checkbox"/> Pre-Need Code enacted by May 2003. <input type="checkbox"/> Implementing rules for the Pre-Need Code finalized by August 2003. <input type="checkbox"/> Commercial court judges and contingent of prosecutors and NBI officials trained in securities fraud manipulation by December 2002. <input type="checkbox"/> SEC Enforcement Department staff trained in investigation procedures and case management and able to conduct viable investigations by October 2002. <input type="checkbox"/> SEC Enforcement Department successfully investigates and imposes administrative sanctions in two significant fraud cases- other than the BW market manipulation case- occurring on the organized market by May 2002. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input type="checkbox"/> Cancelled. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> The work is partially completed. <input checked="" type="checkbox"/> Work is ongoing. <input type="checkbox"/> Work in this area has been cancelled. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is partially completed.
Results Package 1.1.b Pension Reform Strengthened through the passage of a PERA Law	
<ul style="list-style-type: none"> <input type="checkbox"/> PERA Law is endorsed by Congress to Senate in September 2002. <input type="checkbox"/> PERA Law is enacted by December 2002. <input type="checkbox"/> Completion and adoption of BIR, BSP, SEC, and IC rules for PERA eligibility by March 2003. <input type="checkbox"/> PERA Savings begin to be deposited in PERA-approved instruments by December 2003. 	<ul style="list-style-type: none"> <input type="checkbox"/> The work is cancelled.
Results Package 1.1.c Assistance to the National Commission on Savings (NCS) to Enhance Savings Mobilization Measures	
<ul style="list-style-type: none"> <input type="checkbox"/> Association of retired persons or other group of SSS members regularly monitor and report on SSS investment decisions by June 2003. <input type="checkbox"/> SSS members become majority members of the SSS board of directors by June 2004. <input type="checkbox"/> Aggregate contributions to SSS exceed benefits annually by June 2004. 	<ul style="list-style-type: none"> <input type="checkbox"/> The work is cancelled. <input type="checkbox"/> The work is cancelled. <input type="checkbox"/> The work is cancelled.

¹³ The Key Expected Accomplishments (KEAs) were modified in May 2002. See attached list of KEAs.

ACHIEVEMENTS As per Work Statement (June 2001- May 2003 ¹¹)	STATUS
Results Package 1.1.d Increase Domestic Investor Base	
<ul style="list-style-type: none"> <input type="checkbox"/> Investment Company Act enacted by December 2002. <input type="checkbox"/> Majority of investment companies have complied with the requirements of RICA, including the requirements that a majority of the directors be independent, by December 2003. <input type="checkbox"/> Mutual funds have increased their share of total securities market capitalization to 10% (i.e. double the pre-RICA trends) by June 2004. <input type="checkbox"/> The number of mutual fund accountholders grows from 23,500 (2002) to 45,000 by 2004. <input type="checkbox"/> Bill eliminating documentary stamp taxes (DST) on secondary trading of debt instruments passed by December 2002. <input type="checkbox"/> Fixed Income Exchange (FIE) registered with the SEC and operational by December 2002. <input type="checkbox"/> Regulatory framework (SEC rules) for FIE in place by November 2002. <input type="checkbox"/> FIE has a sound clearing and settlement solution acceptable to all participants and the SEC by November 2002. 	<ul style="list-style-type: none"> x The work in this area is cancelled. x The work in this area is cancelled. x The work in this area is cancelled. x The work is cancelled. x Work is cancelled. ☒ Work is ongoing. ☑ The goal was accomplished. ☒ Work has not yet begun.
Results Package 1.1.e Insolvency Laws and Regulations Streamlined	
<ul style="list-style-type: none"> <input type="checkbox"/> CRIA is enacted by May 2003. <input type="checkbox"/> CRIA Rules of Procedure issued by Supreme Court by may 2003. <input type="checkbox"/> Supreme Court issues a circular expanding the jurisdiction of commercial courts by October 2002. <input type="checkbox"/> Rules of liquidation by September or October 2002. <input type="checkbox"/> Commercial courts have received full training in CRA and related rules and circulars by September 2002. 	<ul style="list-style-type: none"> ☒ Work is ongoing. ☒ On hold pending passage of the CRIA. ☒ Work is ongoing. ☒ Work is ongoing. ☒ The activity is on hold pending the issuance of the CRIA and issuance of the rules of procedure.
Results Package 1.1.f Commercial Laws Enforced	
<ul style="list-style-type: none"> <input type="checkbox"/> Supreme Court circular on the application of doctrine of primary jurisdiction by September 2002. <input type="checkbox"/> SC circular on TROs against government projects by October 2002. <input type="checkbox"/> Real extent of the problem of TROs against government infrastructure projects accurately measured by November 2002. Proposed solutions implemented by March 2003. <input type="checkbox"/> Institutionalization of Law and Economics seminar in the regular curriculum of PHILJA by December 2002. 	<ul style="list-style-type: none"> ☒ Completed. PhilJA requested AGILE assistance with the publication of the benchbook on primary jurisdiction instead in lieu of an SC circular. ☑ The goal was accomplished. ☒ The activity is on hold. ☑ The goal was accomplished.

ACHIEVEMENTS As per Work Statement (June 2001- May 2003 ¹²)	STATUS
<ul style="list-style-type: none"> <input type="checkbox"/> Court-annexed mediation at the appellate court level institutionalized, sustainable, and measurably reducing docket decongestion by May 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Work is ongoing.
Results Package 1.1.g Public Sector Governance Improved (Interim)	
<ul style="list-style-type: none"> <input type="checkbox"/> Increased conviction rates in the Sandiganbayan and the regular courts by December 2003. <input type="checkbox"/> Reduced corruption opportunities in high-risk government agencies. <input type="checkbox"/> Increased number of voluntary reports in high-risk government agencies by May 2004. <input type="checkbox"/> Reduced perceptions of corruption in the Philippines and improved perceptions of Ombudsman performance and credibility by June 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Work is ongoing.
Results Package 1.2.a BIR Made more Transparent and Efficient in Revenue Generation	
<ul style="list-style-type: none"> <input type="checkbox"/> BIR re-engineering is included in the State of the Nation Address as critical legislation – July 2002. <input type="checkbox"/> Revenue Memorandum Order (RMO) issued on VAT benchmarking and VAT audit by July 2002. <input type="checkbox"/> RMO creating BIR internal audit teams issued by July 2002. <input type="checkbox"/> Presidential approval of EO to reorganize BIR along taxpayer lines by August 2002. <input type="checkbox"/> The BIR re-engineering "blueprint" is accepted by the DOF, BIR, and DECC by October 2002. <input type="checkbox"/> Legislation authorizing re-engineering of the BIR is passed by March 2003. <input type="checkbox"/> The IRRs to operationalize the BIR re-engineering "blueprint" are issued by June 2003. <input type="checkbox"/> The new revenue agency is operational by December 2003. <input type="checkbox"/> The BIR is able to meet an 11.5% tax effort (0.8 percentage point increase from 2001) by 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed. BIR re-engineering was included in the SONA July 2003 and certified urgent by the President. <input checked="" type="checkbox"/> In lieu of the RMO a TWG was organized with AGILE as a member. The TWG continue to generate CEO reports using VAT industry benchmarks done early this year. <input checked="" type="checkbox"/> Cancelled. In lieu of the RMO the Commissioner has decided to scale down the REVALIDA to an internal audit of a few tax audit cases. <input checked="" type="checkbox"/> Cancelled. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work has not yet begun. Work will start after the enactment of the law. <input checked="" type="checkbox"/> This activity is awaiting the passage of the law.
Results Package 1.2.b Trade Facilitation, Audit, and Risk Management Capacity of BOC Strengthened	
<ul style="list-style-type: none"> <input type="checkbox"/> The organizational plan for the PEA is formalized through an EO by December 2002. <input type="checkbox"/> The post-entry audit of at least 4 importers are completed by March 2003 based on a 2003 Audit Plan whose selection criteria has been approved in December 2002. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> On going. Recruitment for PEAG is in process.

ACHIEVEMENTS As per Work Statement (June 2001- May 2003 ¹³)	STATUS
<ul style="list-style-type: none"> <input type="checkbox"/> Customs Memorandum Order (CMO) providing for the revised systems and procedures for the Super Green Lane (SGL) Program approved and issued by December 2002. <input type="checkbox"/> SGL imports are contributing at least 10% of the BOC's revenue collection by March 2003 from its current level of 4.5%. <input type="checkbox"/> CMO providing measures to streamline, standardize, and publicize (SSP) border controls in the assessment program of importers are approved by the Commissioner to be implemented in March 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is ongoing.
Results Package 1.2.c Tax Policy More Efficient and Equitable	
<ul style="list-style-type: none"> <input type="checkbox"/> Policies related to fiscal incentives are workable and consistent with international best practices. <input type="checkbox"/> Formulation of tax policy takes dynamic response of taxpayers into full consideration. <input type="checkbox"/> Implementation issues are consistently taken into consideration by DOF in promoting tax policy changes. <input type="checkbox"/> Tax policy analysis capacity of the DOF is enhanced through regular use of microsimulation modules and taxpayer databases. 	<ul style="list-style-type: none"> <input type="checkbox"/> Cancelled. <input type="checkbox"/> No developments during the quarter. <input type="checkbox"/> No developments during the quarter. <input checked="" type="checkbox"/> Completed.
Results Package 1.2.d Local Government Financing Improved	
<ul style="list-style-type: none"> <input type="checkbox"/> Signing of a memorandum of agreement between the DOF-BLGF and the DBM for a single financial/fiscal reporting system for LGUs by July 2002. <input type="checkbox"/> Completion and publication of a Statement of Income and Expenditure (SIE) manual harmonized with the Local Government Accounting System (LGAS) by August 2002. <input type="checkbox"/> Completion of the training of SIE trainers by October 2003. <input type="checkbox"/> Full implementation of the SIE reporting system by local treasurers by January 2003. <input type="checkbox"/> Release of the expanded Local Government Unit Guarantee Corporation (LGUGC) LGU database as a publication by January 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> The goal was accomplished.
Results Package 1.3.a Bureaucracy More Efficient through Public Expenditure Management (PEM)	
<ul style="list-style-type: none"> <input type="checkbox"/> Procedures manual on budget provisioning for contingent liabilities for GOCCs prepared for DBM by February 2003. <input type="checkbox"/> Operational Performance Indicator Framework (OPIF) in place in DBM by July 2003. 	<ul style="list-style-type: none"> <input type="checkbox"/> This activity is on hold. <input type="checkbox"/> This activity is on hold.

ACHIEVEMENTS As per Work Statement (June 2001- May 2003 ¹⁵)	STATUS
<ul style="list-style-type: none"> <input type="checkbox"/> Filipino Report Card Survey indicating perceptions of citizens on the performance of DOH and DepED conducted and results available by December 2003. <input type="checkbox"/> A General Appropriations Act (GAA) 2004 that incorporates agency performance indicators and Major Final Output (MFO) aligned with programs, activities, and projects (PAPs) of the central government approved by January 2004. 	<ul style="list-style-type: none"> <input type="checkbox"/> This activity is on-hold. <input checked="" type="checkbox"/> Work is ongoing.
Results Package 1.3.b Improved Management of Contingent Liabilities	
<ul style="list-style-type: none"> <input type="checkbox"/> DOF has unit dedicated to estimating and tracking CLs of BOT projects and GOCC guarantees by December 2002. <input type="checkbox"/> Estimate of expected costs of 12 BOT projects, annually and through life of each project by February 2003. <input type="checkbox"/> Comparative credit rating of GOCCs based on most recent COA-audited financial statements by February 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> The goal was accomplished.
Results Package 1.3.c Investment Incentives More Transparent	
<ul style="list-style-type: none"> <input type="checkbox"/> Design of administrative framework for monitoring firms availing of fiscal incentives at the Bureau of Internal Revenue by September 2002. <input type="checkbox"/> Approval of administrative framework for monitoring firms availing of fiscal incentives by December 2002. <input type="checkbox"/> Adoption of administrative framework for monitoring firms availing of fiscal incentives in pilot revenue district offices (RDO) by June 2003. 	<ul style="list-style-type: none"> <input type="checkbox"/> No developments during the quarter. <input type="checkbox"/> No developments during the quarter. <input type="checkbox"/> No developments during the quarter.
Policy Result 1.4.a GOP Procurement System More Efficient and Transparent	
<ul style="list-style-type: none"> <input type="checkbox"/> Passage of Government Procurement Reform Act (GPRA) by Sept 2002 and its IRR prepared by December 2002. <input type="checkbox"/> Standard forms and procurement manuals for goods, civil works, and consulting services prepared by June 2003. <input type="checkbox"/> Government BAC, procurement officials, and COA auditors of major procuring departments trained in implementation of provisions of Procurement Law by June 2003. <input type="checkbox"/> Assessment of policies and procedures in improving post-procurement logistics completed by July 2003 <input type="checkbox"/> Administrative measure to reform post-procurement logistics issued by December 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. <input type="checkbox"/> AGILE/ EGTA was not asked for assistance in this area during the quarter. <input type="checkbox"/> The activity is on-hold. <input type="checkbox"/> The activity is on-hold.

ACHIEVEMENTS As per Work Statement (June 2001 - May 2003 ¹³)	STATUS
Policy Result 1.5.a Money Laundering Reduced	
<ul style="list-style-type: none"> <input type="checkbox"/> Development of standard forms for Covered Transaction Reports (CTRs) and Suspicious Transaction Reports (STRs) by July 2002. <input type="checkbox"/> Procedures and operating manuals for the Secretariat completed by March 2003. <input type="checkbox"/> AMLC organizational structure and recruitment of majority of professional staff completed by March 2003. <input type="checkbox"/> AMLC computer database set up by March 2003. <input type="checkbox"/> Amendments to the AMLA approved by Congress and Senate by June 2003. <input type="checkbox"/> Anti-terrorist and terrorist financing bill enacted by March 2003. <input type="checkbox"/> BSP examination procedures manual (section pertaining to the AMLA) completed by December 2003. <input type="checkbox"/> Training and awareness building on the AMLA and its Implementing Rules and Regulations (IRRs) for various sectors by June 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input type="checkbox"/> No significant development during the quarter. <input type="checkbox"/> No developments during the quarter. <input type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> The goal was accomplished. <input type="checkbox"/> USAID is coordinating directly with the US Embassy to provide the required assistance. <input type="checkbox"/> Work is ongoing. <input type="checkbox"/> Work is in ongoing.
Policy Result 1.5.b Bank Supervision Strengthened	
<ul style="list-style-type: none"> <input type="checkbox"/> Enactment of the Central Bank Act (CBA) by March 2003. <input type="checkbox"/> Completion of the IRRs for significant provisions of the CBA by June 2003. <input type="checkbox"/> Improved examination procedures for banks and reporting of non-performing assets by June 2003. <input type="checkbox"/> Improved standard for evaluation of market risk of banks by March 2003. <input type="checkbox"/> Rules for capital adequacy on market risk implemented by March 2003. <input type="checkbox"/> Passage of the Special Purpose Vehicle bill ("SPAV Bill") by December 2002. <input type="checkbox"/> Completion of the IRRs for the SPV and approved by the Congressional Oversight Committee by March 2003. <input type="checkbox"/> Passage of the securitization bill by March 2003. <input type="checkbox"/> Completion of the IRRs for the securitization bill and approval by the Congressional Oversight Committee by June 2003. <input type="checkbox"/> BSP examination procedures manual (section pertaining to the SPV and securitization) completed by December 2003. 	<ul style="list-style-type: none"> <input type="checkbox"/> No significant developments during the quarter. <input type="checkbox"/> The IRRs will be developed after passage of the bill. <input type="checkbox"/> Work is ongoing. <input type="checkbox"/> Work is ongoing. <input type="checkbox"/> There was no significant development during the quarter. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> The goal was accomplished. <input type="checkbox"/> There were no developments during the quarter. <input type="checkbox"/> Awaiting the passage securitization bill. <input type="checkbox"/> Work is ongoing.

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**IR2: BARRIERS TO COMPETITION IN INFRASTRUCTURE AND
TRADE REMOVED**

POLICY OUTCOME 2.1 COMPETITION INCREASED IN TRANSPORTATION SERVICES

Results Package 2.1.b. Increased Competition in Maritime Shipping

Maritime shipping in the Philippines is a critical part of the logistics of moving people and goods around the archipelago. Consequently, to ensure the competitiveness of Philippine enterprise, inter-island shipping and ports services need to be exposed to market forces that will increase competition in the sector and, thereby, drive prices down.

AGILE/EGTA has been working with the Export Development Council (EDC), in developing a transparent and competitive policy environment in ports administration as well as supporting initiatives towards a fully deregulated shipping industry. AGILE/EGTA also helped the Development Bank of the Philippines (DBP) and the Philippine Chamber of Commerce (PCCI) by providing technical assistance in their efforts to promote the Roll-On/Roll-Off (RoRo) Terminal System as an alternative and viable transportation facility that is expected to lower shipping costs.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

PROMOTING ROLL-ON-ROLL-OFF (RORO) PORT TECHNOLOGY

Pure RoRo service operating on key routes with reductions in sea transport costs to users operational by September 2004.

- AGILE/EGTA continued to assist the Development Bank of the Philippines (DBP) draft presentation for private sector groups and local government units (LGUs) interested in providing RoRo services or build RoRo ports.
- AGILE/EGTA provided technical assistance to the DBP in preparation for the Strong Republic Nautical Highway (SRNH) Conference scheduled on October 22. The event is being organized jointly with the Philippine Chamber of Commerce and Industry (PCCI).
- The main objectives of the conference are as follows:
 1. information dissemination to attract new and more players/participants;
 2. exploration of business opportunities in RoRo terminal, RoRo shipping, trucking, forwarding, tourism, etc.;
 3. sharing of experience/s and success stories from existing players; and
 4. discussion of the changing role of LGUs in the promotion of RoRo.

TARIFF SETTING

Rate Panel formulates a methodology for rate adjustment containing the formula for rate-setting and public hearing mechanism by March 2003.

- With assistance from AGILE/EGTA, NEDA and the Export Development Council (EDC) included the need for a methodology to determine cargo-handling rates as part of the agenda at the National Ports Advisory Council (NPAC) Committee on Port Tariff. To recall, a sub-

committee under the NPAC Committee on Port Tariff was formed on April 23 to specifically address the issue by developing a cost-based formula.

Public hearing process for tariff setting institutionalized by September 2003.

- NEDA continued to pursue discussions on the need to develop an institutionalized public hearing process at the NPAC Committee on Port Tariff.

NPAC to make recommendations to PPA Board on key ports policy issues.

- AGILE/EGTA assisted representatives of NEDA and EDC participate in the different NPAC Committees.

PLANS FOR THE 4TH QUARTER 2003

PROMOTING ROLL-ON-ROLL-OFF (RORO) PORT TECHNOLOGY

- In support of efforts to promote the use of RoRo services, AGILE/EGTA will assist the DBP and PCCI conduct a conference on the Strong Republic Nautical Highway on October 22. The conference will focus on the opportunities in RoRo and the remaining barriers to its successful implementation. The conference is expected to attract 500 participants, with President Arroyo as keynote speaker.

TARIFF SETTING

- AGILE/EGTA will provide assistance to NEDA as it participates in the different NPAC Committees, such as the sub-committee on port tariff, based on the request of the NEDA Secretary.

POLICY OUTCOME 2.2 COMPETITION INCREASED IN INFORMATION AND COMMUNICATION TECHNOLOGY

Results Package 2.2.a. Increased Competition in Telecommunications

The Philippines has made substantial progress in liberalizing its telecommunications sector, as indicated by improved service and reduced costs. Despite this, a fully competitive market in which market-established rates are the norm has not yet been attained.

AGILE/EGTA is helping establish a fully competitive market, which is crucial to increased investments and accelerated development. This assistance is being given through the National Telecommunications Commission (NTC), which is guiding the sector's transition to a fully deregulated and competitive market with limited regulatory intervention. The direct benefits to be expected include – more choices, lower costs, and fewer dropped calls. In addition to this, there are also indirect benefits such as better Internet access and expansion in IT-enabled services.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

IMPROVED WHOLESALE AND RETAIL PRICING

Simple Cost Allocation Manual published by October 2002.

- AGILE/EGTA coordinated with PricewaterhouseCoopers (PwC) Australia regarding contractual arrangements for the mobilization of Wholesale Pricing Expert in continuation of AGILE/EGTA's assistance to the National Telecommunications Commission (NTC). PwC Australia submitted their proposed budget to EGTA on August 22 for discussion and approval.
- AGILE/EGTA completed the draft memorandum circular (MC) #7 or the Accounting Separation Guidelines (ASG)/Annual Report this quarter. However, contractual negotiations between EGTA/DAI and PriceWaterhouseCoopers (PWC) Australia led to the rescheduling of the workshop to discuss the draft. The guidelines will provide a structured reporting framework leading to the submission of accounting separation statements that will provide the NTC with information to administer the telecommunications regulatory regime.

MC#2-B or the Transition to Cost Based Interconnect Pricing will build on the information of the accounting separation guidelines to provide:

1. the basic input information to assess the levels of cost reflective pricing of primary interconnect services;
2. compliance with existing law; and
3. a basis for examination of cost structures should disputes regarding interconnect pricing be brought before the NTC.

UNIVERSAL ACCESS

NTC issues an MC on Successor Program of the Service Area Scheme (SAS) by March 2003.

- AGILE/EGTA and the NTC discussed the guidelines for drafting of the Voice over Internet protocol pricing (VOIP). The NTC plans to issue an MC that will promote the use and

deployment of VOIP to give consumers a cheaper but effective alternative in making international calls.¹⁴

PLANS FOR THE 4TH QUARTER 2003

- ❑ AGILE/EGTA will assist the NTC conduct an internal workshop with the commissioners and key NTC technical staff to discuss MC #7 as soon as contractual negotiations between PwC Australia and AGILE/EGTA/DAI are finalized.
- ❑ AGILE/EGTA will discuss the scope of its possible assistance in frequency management with NTC after the Commissioner resolves internal issues with its division chiefs.

Results Package 2.2.b. E-Commerce & Information and Communications Technology (ICT) Developed

The increased liberalization of the telecommunications industry in the Philippines has led to declining costs and better quality of communications. Predictably, this allows communications-dependent IT-enabled services to become more competitive. Such a competitive environment is largely behind the growth in “back-office” operations such as call centers and business process outsourcing. It also carries promise for higher value added enterprises such as software development.

To build upon this new value advantage, it is important that the government provide a supportive policy and institutional environment. AGILE/EGTA is participating in government initiatives to enable the Philippines to take full advantage of opportunities in the growing global market for products and services produced, sold, or distributed via information technology and electronic commerce.

Working with the Information Technology and Electronic Commerce Council (ITECC), AGILE/EGTA assists the Department of Trade and Industry (DTI) in working for the creation of the necessary institutional, physical, legal, regulatory, and human structures. Its efforts are focused on the formulation of strategic directions for the ICT industry in the country.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

INFORMATION AND COMMUNICATIONS TECHNOLOGY (ITECC)

E-Philippines strategic plan published by November 2002.

- ❑ The strategic roadmap, drafted and launched by the Information Technology and E-Commerce Council (ITECC) in February 2003 with assistance from the EGTA, contains the plans and strategies for the promotion and development of the Information and Communications

¹⁴ VOIP technology that allows users to effectively engage in international voice conversations without having to pass through the international gateway facilities (IGFs) of telephone companies who charge a higher fee for the use of their network.

Technology (ICT) sector in the Philippines. The roadmap identifies 21 key priority projects and activities for funding and implementation.

**INCREASING ACCESS TO INFORMATION AND COMMUNICATIONS SERVICE:
THE COMMUNITY E-CENTER PROGRAM**

The Philippines is making headway in its drive to provide increased access to information services to marginalized communities through the Community eCenter (CeC) Program. This program recognizes the role of local government officials, private sector executives, entrepreneurs, non-government organizations, and donors in providing universally available information and communications services.

In August 2003, the first CeC in the country was inaugurated in the town of Talibon, Bohol. The CeC is a joint venture between TelOf, the local government of Talibon and the CeC operator, Textron. The Talibon CeC has four reconditioned computers and high-speed Internet connection. Department of Transportation and Communications Undersecretary Virgilio Pena*, Governor Erico Aumentado, Talibon Mayor Marcos Arestila, as well as Textron President and CEO Alfonso Legaspi witnessed the occasion.

A second CeC was inaugurated in Quezon, Bukidnon on September 8, 2003, with Information Technology and Electronic Commerce Council (ITECC) and DOTC officials as well as Governor Zubiri and Quezon Mayor Que present.

The key feature of the CeC program is its emphasis on partnership and financial sustainability. The partners are:

- Government agencies with resources such as property, telecommunications facilities and franchise, and personnel.
- Local government officials in unserved and underserved communities with the physical location and the start-up funding for CeCs.
- A private operator with managerial and marketing skills to operate the CeC.

The CeC program was established to address the weaknesses of previous programs. The Service Area Scheme (SAS) required telecommunications firms with cellular and international licenses to provide service to rural areas. Based on a National Telecommunications Commission review, access to telecommunications has improved dramatically because of the SAS but service is biased towards urban areas. The CeC's focus on unserved and underserved areas aims to address this problem.

Another program, the ODA-financed *Telefono sa Barangay*, was also less successful. While the objectives are clear, the vendor-initiated program has led to allegations of overpricing and corruption. In many cases, the government is left to operate obsolete systems with no spare parts. Not surprisingly, many of these are not operational, but loan payments continue.

With the initial success of the CeC program, the Philippine government expects to establish more eCenters in the Visayas and Mindanao, thereby dramatically improving access to telecommunications and information technology.

AGILE/EGTA assisted ITECC and other agencies involved in ICT design activities and implement strategies for the following priority projects:

1. development of a citizen-centric e-government portal;
2. establishment of pilot community e-centers (CeCs) nationwide;
3. conduct of a sustainable ICT Skills survey;

4. conduct of a Capability Maturity Model (CMM) awareness seminars and training workshops, and selection of six software development firms to undergo CMM mock assessment and consulting;
5. formulation of a proposed Executive Order (EO) creating a Commission on ICT;
6. drafting a cybercrime and security policy;
7. formulation of policies pertaining to converging technologies; and
8. development small and medium enterprises (SMEs) through ICT.

E-GOVERNMENT

Framework and strategy for e-government project developed by September 2002

- ❑ In support of the ITECC program on Community e-Centers (CeC), AGILE/EGTA provided technical inputs to the ITECC and the Department of Transportation and Communication (DOTC) Oversight Committee on CeC in the drafting of an EO establishing the CeC program as a national priority program of the government. AGILE/EGTA worked with the newly created ITECC sub-committee on the CeC project to finalize the timetable of the CeC program implementation.

To gather information for developing a viable CeC framework and at the request of DOTC Usec. Peña, AGILE/EGTA visited the following:

1. existing telecenters developed by LGUs in Cebu and Negros Occidental; and
 2. public calling offices (PCOs) of the Telecommunications Office (TelOf) of the DOTC and e-Post Projects of the Philippine Postal Corporation (PhilPost) in Cebu.
- ❑ AGILE/EGTA provided technical inputs to DOTC in identifying several potential sites in Luzon, Visayas, and Mindanao where CeCs can be piloted using three business models namely:
 1. local entrepreneur-driven,
 2. LGU-driven, and
 3. school or non-government organization (NGO) driven.
 - ❑ During the quarter, AGILE/EGTA helped ITECC develop a primer on the business models of the CeC program.
 - ❑ AGILE/EGTA assisted the DOTC and TelOf launch the first pilot CeC in the Philippines in Talibon, Bohol. The Talibon CeC is being run using TelOf facilities and through the technical and managerial support of a local entrepreneur. A second CeC was inaugurated in Quezon, Bukidnon, run by the TelOf and the local government of Quezon.
 - ❑ As part of its assistance to ITECC in developing a citizen-centric e-government portal, AGILE/EGTA assisted the National Computer Center (NCC) conduct a workshop together with eight key government agencies, which will provide the content for the proposed e-government portal designed to offer online government transactional services to citizens.
 - ❑ AGILE/EGTA provided the NCC technical assistance in drafting the request for proposal (RFP) and the budget requirements for the e-government portal project. The ITECC E-Government

Committee has identified the e-government portal project as the top priority project for possible funding under the 2003 e-government fund of the DBM.

CONVERGENCE

Convergence Law enacted by September 2004

- ❑ In support of ITECC's program in developing policies for converging technologies, AGILE/EGTA assisted the National Telecommunications Commission (NTC) in drafting a MC on Cable Antenna Television (CATV) policy on contract exclusivity. The MC provides the guidelines on how to administer cable contracts that appear to establish a relationship of exclusivity between the cable operator and the program/content provider.
- ❑ Responding to ITECC's request, EGTA assisted NTC draft a policy paper on Voice over Internet Protocol (VoIP). The draft policy paper provides an overview of the legal, regulatory and policy issues surrounding VoIP and outlines the different options and recommendations for possible policy responses of the NTC.
- ❑ As part of AGILE/EGTA's assistance to ITECC in legal reforms and business development, AGILE/EGTA provided technical inputs to the proposed electronic document hub for the DBP. The hub is seen to enhance the information systems of the DBP and develop innovative banking services such as the e-financing initiative for SMEs and suppliers. AGILE/EGTA drafted a legal memorandum on the legal issues concerning the hub particularly on the e-financing initiative's compliance with the provisions of the E-Commerce Act.

DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

Executive Order creating a Commission on Information and Communications Technology enacted by October 2003.

- ❑ As part of its technical assistance to ITECC in institutionalizing ICT in governance, AGILE/EGTA provided technical inputs to ITECC on the proposed EO creating a Commission on Information and Communications Technology (CICT). The proposed Commission, which was recommended by the Office of the President, will serve as an interim government body in lieu of the proposed department, which is pending in Congress. The draft EO has already been approved by ITECC and is currently being reviewed by the Office of the Executive Secretary.
- ❑ In support of ITECC's program to rationalize institutional framework through the creation of a DICT, AGILE/EGTA prepared the following:
 1. a study on the appropriate form of government institutional structure to support the growth and development of the ICT sector, entitled, "Institutional Structures for the ICT Sector: International Experience, Implications and Recommendations for the Philippines"; and
 2. a review of proposed and pending legislation on the creation of a DICT.
- ❑ Upon the request of Usec. Peña, AGILE/EGTA conducted an ICT forum on the institutionalization of ICT in governance on August 1. The discussion focused on the study

presented by AGILE/EGTA on appropriate models and best practices on ICT institutional reform.

CYBERCRIME

- ❑ As part of its assistance to ITECC in combating cybercrime, AGILE/EGTA helped ITECC document and fund requirements for the Philippine delegation to the Cybercrime Legislation and Enforcement Capacity Building Conference of Experts and Training Seminar in Bangkok, Thailand on July 21-25.
- ❑ In relation to ITECC's proposed evidence retention clause for anti-terrorism, AGILE/EGTA continued to monitor the Senate interpellations on the proposed Anti-terrorism Bill in Congress.

INFORMATION AND COMMUNICATIONS TECHNOLOGY SURVEY

Published report of ICT services by June 2003.

- ❑ In line with AGILE/EGTA's support to ITECC in promoting and developing ICT as a tool for economic development, AGILE/EGTA awarded a grant to the Cebu Educational Development Foundation for Information technology (CEDF-IT) to conduct a human resource survey on ICT in Cebu. During the quarter, the CEDF-IT finalized the survey questionnaires and the sampling and interview design as well as started the fieldwork for the actual survey and interviews.

CAPABILITY MATURITY MODEL (CMM)

Increased awareness among CEOs/CIOs on CMM and conduct of awareness seminars and training workshops.

- ❑ In support of ITECC's business development program, particularly the development of the Philippine software industry, AGILE/EGTA conducted CMM Awareness Seminars for top management level participants and CMM Training Workshops for Project Teams. The CMM trainings and seminars seek to provide Philippine software development companies with an enabling process development tool, which they could use to increase their competitiveness especially in the global IT market.
- ❑ During the quarter and in coordination with the Virtual Center for Technology Innovation for IT (VCTI-IT) of the DOST, AGILE/EGTA conducted the following seminars:
 1. two CMM Seminars for CEOs in Manila, and
 2. three CMM seminars in Cebu, Cagayan de Oro and Davao.
- ❑ AGILE/EGTA aided ITECC and VCTI choose the software firms to undergo CMM workshop from the list of organizations who attended the CMM Seminar for CEOs.
- ❑ Upon the request of Usec. Peña, AGILE/EGTA aided ITECC develop a marketing plan for the CMM Program. AGILE/EGTA sponsored the printing of CMM brochures, which highlighted the importance of CMM, the course objectives and description of the program components,

which were distributed to software development firms, government agencies and ICT associations.

PLANS FOR THE 4TH QUARTER 2003

E-GOVERNMENT

- AGILE/EGTA will assist ITECC in the printing and dissemination of the CeC Primer.
- AGILE/EGTA will assist ITECC in presenting the draft EO on CeC to the DOTC Secretary and the Office of the President for endorsement and signature.
- AGILE/EGTA will assist ITECC and DOTC in finalizing the appropriate mechanisms, program and implementation guidelines and funding sources for the CeC program.
- AGILE/EGTA will assist ITECC and DOTC begin the rollout of three business model variants across each major region.
- AGILE/EGTA will assist ITECC and NCC in finalizing the RFP and begin the selection of the portal developer as well as help ITECC develop and test the portal upon submission of output of the winning developer.

CONVERGENCE

- AGILE/EGTA will continue to provide technical assistance to the NTC in drafting the rules on VoIP.
- AGILE/EGTA will help DBP on the e-Finance initiative and document hub implementation.

DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

- AGILE/EGTA will continue to provide technical inputs to ITECC for the proposed Commission for ICT.

CYBERCRIME

- AGILE/EGTA will continue to provide technical inputs to ITECC in support of the evidence retention clause in the Anti-Terror Bill.
- AGILE/EGTA will prepare for a cybercrime workshop scheduled for early January 2004.

INFORMATION AND COMMUNICATIONS TECHNOLOGY SURVEY

- As part of its support to the ICT sector, help the CEDF-IT process data of the survey and interviews, and finish the analysis of data and final report by December. CEDF-IT will launch the survey results and conduct an IT Summit by December 2003.

CAPABILITY MATURITY MODEL (CMM)

- In support of ITECC's CMM Program, AGILE/EGTA will assist ITECC finalize the criteria for the selection of software development firms to undergo CMM consulting.
- AGILE/EGTA will conduct an advanced CMM workshop in preparation for the consulting and assessment for the six software firms selected by the CMM Board.

POLICY OUTCOME 2.3 TRADE AND AGRICULTURE COMPETITION INCREASED

Results Package 2.3.a. Grain Markets More Efficient and Equitable

State monopolies over grain imports are throwbacks to an age in which bureaucrats were considered to be more knowledgeable than grain traders on how to ensure access to reasonably priced food grains. It was a period steeped in distrust of traders and the marketing function. The inefficiency costs as well as the costs of distorted price signals resulting from these policies have tended to discredit state grains monopolies, which continue largely on political grounds.

For agriculture to become more productive and farmers to focus on higher value crops, the rice trade needs to be liberalized. The economic benefit of liberalizing the grain trade, specifically rice, is great. Consumers (and this includes most people living in the countryside) would be better off by having access to cheaper rice.

Furthermore, public support for agriculture needs to focus on institutionalizing effective Sanitary Phyto-Sanitary (SPS) measures to protect plant, animal and human life against pests and diseases and at the same time ensure that these SPS measures do not unduly restrict trade.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Inventory of Philippine Sanitary and Phyto-sanitary (SPS) measures and assessment of gaps completed by February 2004.

- The Department of Agriculture (DA) sought AGILE/EGTA assistance in the inventory and assessment of existing SPS measures and the development of a web-based SPS information system.¹⁵ The assessment and information system aims to:
 1. facilitate the development of more effective and relevant SPS measures that can adequately protect plant, animal and human life against harmful organisms, toxins and diseases; and
 2. provide transparency, reducing trade-restricting effects, as well as the opportunities for corruption.

- Met with DA agencies to explain the nature of AGILE/EGTA's assistance and expected outputs such as an inventory, information system and assessment of SPS measures. The key DA agencies include the following:
 1. Bureau of Agriculture and Fisheries Product Standards (BAFPS);
 2. Bureau of Animal Industry (BAI),
 3. National Meat Inspection Commission (NMIC);
 4. Bureau of Plant Industry (BPI); and
 5. Bureau of Fisheries and Aquatic Resources (BFAR).

¹⁵ The SPS measures undertaken to protect human, animal and plant health, include the following: end-product criteria; recommended processes and production methods; testing, inspection, certification and approval procedures; quarantine treatments or relevant requirements associated with the of animals and plants or with materials necessary for their survival during transport; and packaging and labeling requirements.

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- AGILE/EGTA started gathering the enabling issuances for the SPS measures, such as administrative orders, memorandum circulars, etc.

Internet-based information system on SPS measures developed and institutionalized in concerned DA agencies by February 2004.

- AGILE/EGTA consulted with DA agencies having some involvement in SPS measure development or enforcement, and documented their initial ideas on the planned information system. The proposed information system will include final existing SPS measures as well as documents related to SPS measure development, monitoring and implementation such as the following:
 1. risk assessment reports;
 2. draft measures;
 3. committee and working group recommendations;
 4. list of accredited certifying bodies, laboratory facilities, and importers;
 5. other country notifications; and
 6. positions on proposed international or regional measures.

Depending on the contents of the document, the proposed information system will have three levels of access: (1) public, (2) all DA agencies, and (3) specific DA agency.

AGILE/EGTA will help the Department of Agriculture upload existing SPS measures and documents. Once this information is turned over to the DA, however, individual agencies will be responsible for uploading future updates and for determining the access level for the documents uploaded. The BAFPS will ensure that only the authorized agencies and staff are able to upload documents or update the information.

- AGILE/EGTA gathered sample documents, estimated the volume of documents to be uploaded in the information system, and determined the appropriate system hardware. These documents will be used to create the prototype system and will be presented to the concerned DA agencies.

PLANS FOR THE 4TH QUARTER 2003

- Complete a prototype SPS information system.
- Complete the inventory and gaps assessment for livestock, meat, and plant products.

Results Package 2.3.b. Biotechnology Exploited Safety

AGILE/EGTA has been providing vital support to the government to ensure the safe and responsible use of modern biotechnology and genetically modified organisms (GMOs). Among other benefits, modern biotechnology and its products improve farmer yields and reduce production costs, therefore increasing farm incomes, while reducing pesticide poisoning and pollution.

AGILE/EGTA provided technical support to the DA in its efforts to come up with guidelines for biotechnology, which is embodied in DA-AO No.8. AGILE/EGTA is helping ensure the proper implementation of the DA AO. It is also exploring with other government agencies, such as the Bureau of Food and Drugs (BFAD), and Department of Health (DOH), cooperative arrangements for the formulation of guidelines for the other applications of the technology.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Government's IEC Program on Biotechnology implemented effectively until December 2003

- Co-organized and conducted with the Department of Agriculture public seminars on modern biotechnology and its applications. DA and AGILE/EGTA benefited from the visits of two eminent international scientists, namely:
 1. Professor Martina Newell-McGloughlin (Director of the University of California Biotechnology Program) who talked on the safety of foods derived from genetic modification during the series of seminars held from July 1 to 3; and
 2. Dr. Gary Hartnell (Animal Biotechnology Specialist) who discussed the safety assessment of animal feed products derived from modern biotechnology during his series of talks held from August 21 to 23.

- Assisted the DA's Ginintuang Masaganing Ani (GMA) Corn Program and the PhilMaize Federation of Corn Farmers conduct a planning workshop on Bt corn technology adoption held on July 31. Coorganized with the DA Regional Field Unit 1 and the Mariano Marcos State University a three-day regional planning workshop on modern biotechnology that was held from August 27 to 29 at Batac, Ilocos Norte.

- Assisted PhilJA conduct a four-day conference on law and biotechnology for RTC judges nationwide.¹⁶ The program, offered to the judges and other court personnel, sought to:
 1. introduce recent developments in bioscience and biotechnology, particularly to educate the judges on the general principles of modern biotechnology
 2. provide judges with knowledge tools related to criminal and civil justice proceedings involving genetic engineering
 3. educate the participants on the ethical and justifiable issues that bio-science and biotechnology may engender in order to help the judicial branch anticipate new case varieties emanating from genetic engineering practices and biotechnology policies especially in the Philippines

¹⁶ According to results from the post-activity survey administered to the participants, the conference was very successful, garnering the highest satisfaction rating among other seminars conducted by PhilJA.

The Department of Agriculture (DA) and its four (4) regulatory agencies responsible for enforcing AO No. 8 have sufficient institutional capacity to regulate plants and plant products derived from modern biotechnology by March 2003.¹⁷

- ❑ Revised the preliminary draft of the technical study on Insect Resistance Management (IRM) strategy for Bt technology for the Philippines. Stakeholders' consultation and focused group discussions were held among corn farmers, DA extension workers, RFU agriculturists, and scientists trained in entomology, plant breeding, agronomy, and pest management to assist the AGILE/EGTA in finalizing the paper. The IRM regression model was completed and incorporated in the revised draft of the IRM technical study, which will be submitted in October 2003.
- ❑ In accordance with the timetable set in DA Administrative Order 8 ("The Guidelines") the authority to grant permits for field-testing of GM plants was transferred from the National Committee on Bio-safety of the Philippines (NCBP) to the Bureau of Plant Industry (BPI) starting July 1, 2003. In addition to this, the BPI was also tasked to regularly monitor compliance by technology developers to the insect resistance management (IRM) strategy being instituted for Bt technology to ensure that the prescribed IRM strategy of commercialized GM crops is followed.
- ❑ AGILE/EGTA assisted the DA identify training needs requirements of BPI and other relevant agencies, particularly the Regional Crop Protection Centers located in all 15 regions of the country, which will now form the IRM monitoring teams of the DA in their respective localities. AGILE/EGTA also helped the DA find resources for capacity building measures on this new function of these agencies.
- ❑ At the Department of Agriculture's request, AGILE/EGTA provided a series of molecular-based laboratory trainings on GMO detection and analysis. The goal of this training is to build up individual and institutional expertise within the Department for proper enforcement and compliance monitoring of specific provisions of DA-AO No. 8 particularly those requiring risk assessment and management practices related to GMO detection and analysis.
- ❑ Of the seven modules prepared for the training series, four have already been carried out during this quarter. These are:
 1. Lecture and Hands-on Training on Basic Concepts and Good Laboratory Practices
 - Training and Demonstration on GMO Screening and Detection of Bioengineered Food
 2. Training and Demonstration on DNA Profiling-Part I; and
 3. Training and Demonstration on DNA Profiling-Part II.

The three remaining modules will be conducted in the last quarter of the year.

¹⁷ AO # 8 is a set of rules and regulations, which governs the importation and release into the environment of plants and plant products derived from the use of modern biotechnology.

List of regulated articles for direct use as food or feed or for processing approved by the Bureau of Plant Industry (BPI) by December 2003.

- ❑ Helped the DA coordinate with technology developers as well as the embassies of US, Canada, Australia, Argentina, China, EU and Japan for the timely and comprehensive filing of transformation events by plant products that are being imported by the Philippines and are likely to be GM derived. A total of 19 events have been filed, four of which have already been granted permit –(three corn events and one soya event) while fifteen are still undergoing bio-safety risk assessment.¹⁸
- ❑ Facilitated consultative meetings between the DA regulatory agencies, the food chamber, meat processors, grain traders, hog and poultry raisers, and other industry stakeholders for the drafting and issuance of relevant DA memorandum circulars regarding the guidelines on the importation for direct use of GM plants and plant products.¹⁹

Bureau of Food and Drugs-Department of Health (BFAD-DOH) guidelines on processed biotech food products (including guidelines on GM food labeling) issued by April 2004.

- ❑ For the technical study on the cost implication of GM food labeling, EGTA/AGILE interviewed key people from the food industry. In addition to this, AGILE/EGTA administered a survey among members of the Philippine Association of Meat Processors, Inc (PAMPI) and the Philippine Chamber of Food Manufacturers, Inc (PCFMI) to determine the cost impact of a possible GM mandatory labeling regime. The first draft of the technical study has been completed and is being circulated among a core group of stakeholders for comments and suggestions.
- ❑ In collaboration with the National Institutes of Health (NIH) of UP Manila, AGILE/EGTA assisted BFAD in the conduct of a scientific conference on the safety assessment of GM-derived processed food.

BFAD's Regional Food Regulatory Officers and technical officers of DOH regulatory agencies attended the three-day conference in which the following were key points of discussion:

1. principles of risk assessment of food derived from modern biotechnology, especially the framework of substantial equivalence; and
2. international best practice procedures using the Codex Alimentarius Commission protocols and the US Food and Drugs Administration (FDA) guidelines as benchmarks.

On the last day, conference participants visited the Institute of Plant Breeding, UP Los Baños and the International Rice Research Institute (IRRI).

- ❑ The framework of the BFAD-DOH guidelines on GM-derived processed food are being developed, based on the first draft of the GM labeling study and recommendations made during

¹⁸ A transformation event is a specific type of gene insertion to a host plant such that the plant is transformed genetically by being rendered with a new desirable trait; e.g. being resistant to certain pests or diseases.

¹⁹ During the third quarter, the DA Secretary issued MC 8, 11 and 12, with their corresponding annexes.

the scientific conference on GM food safety assessment. Other important issues that need to be considered so the guidelines can be formulated are:

1. cost implication,
2. consumer's right to know,
3. relevance of information to be provided,
4. BFAD's ability to monitor for compliance,
5. processed food manufacturers' ability to comply,
6. truthfulness of product claims, and
7. possible penalties for misclaims and misbrandings.

PLANS FOR THE 4TH QUARTER 2003

Government's IEC program on biotechnology implemented effectively until December 2003.

- Source funding from the private sector and other donor agencies to ensure continuity of the IEC program on modern biotechnology, by focusing on the emerging twin issues of IRM strategy for Bt technology and GM food labeling.

The Department of Agriculture (DA) and its four (4) regulatory agencies responsible for enforcing AO No. 8 have sufficient institutional capacity to regulate plants and plant products derived from modern biotechnology by March 2003.

- Complete and finalize the IRM technical study for the Department of Agriculture.
- Assist the DA in inviting delegates from ASEAN countries and holding an international conference on IRM strategy, where the technical study will be presented and where noted foreign experts will serve to review the study.
- Help the DA find technical assistance for the conduct of capability-building measures for relevant regulatory offices on compliance monitoring for field-testing and the implementation of the adopted IRM strategy.
- Continue the DNA laboratory training for BPI, BAI, NMIC and BFAD personnel.
- Assist the DA in draft and validating protocols on DNA laboratory procedures to facilitate international accreditation of these Philippine laboratories.
- Help facilitate the harmonization of DA-AO No. 8 with the emerging bio-safety regulations of the Department of Environment and Natural Resources (DENR) on environmental risk assessment.

List of regulated articles for direct use as food or feed or for processing approved by the Bureau of Plant Industry (BPI) by December 2003

- Assist the DA disseminate to the public, particularly with industry stakeholders the growing list of approved products and the guidelines on importation for GM plants and plant products.

- ❑ Assist the DA conduct consultative meetings with the Bureau of Customs and the Quarantine Services of BPI and BAI to brief them on this new system.

Bureau of Food and Drugs-Department of Health (BFAD-DOH) guidelines on processed biotech food products (including guidelines on GM food labeling) issued by April 2004

- ❑ Complete the technical study on the cost implication of GM food labeling.
- ❑ Assist BFAD write the first drafts of the guidelines on processed food derived from modern biotechnology. Start initial consultations with relevant public-sector stakeholders on the preliminary drafts.

Results Package 2.3.c. Intellectual Property Rights Protected

Weak protection of intellectual property rights (IPR) stifles creativity, thus depriving the country of the opportunity to benefit fully from its human resources. Recognizing the vital role intellectual property rights protection plays in development, AGILE/EGTA supports initiatives to develop a more stable policy and legal framework for such protection.

AGILE/EGTA is assisting the DA in implementing the recently passed Plant Variety Protection Act by providing technical and logistical support for capability building in the DA agencies tasked with the protection of plant breeder rights.

AGILE/EGTA also helps the Intellectual Property Office (IPO) and BOC improve enforcement of intellectual property rights, and supports IPO efforts to obtain passage of legislation that will provide a comprehensive regulatory regime for optical media. Such a regime would cover the importation of equipment and raw materials for the mastering and replication of optical media products, licensing of all production sites, spot inspections of facilities and records, and the use of unique markings on all masters and copies of products. Throughout, AGILE/EGTA provides information to its counterparts to understand the dynamics of IP piracy and the legal and administrative recourse of owners of IP in order to develop more sustainable approaches to combating piracy.

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

PLANT VARIETY PROTECTION

The DA and other agencies responsible for implementing and enforcing the PVP law have capability to implement law in January 2003.

- ❑ With the assistance of AGILE/EGTA, the Department of Agriculture organized and conducted applicant orientation sessions and consultation on fees in Visayas (Cebu) and Mindanao (Davao). The proposed two-tier fee structure presented in these sessions may be revised to three-tiers as a result of the consultations. Seventeen applications for PVP have been received from private sector seed companies and provisionally accepted.

- ❑ The Task Force on the accreditation of depository genebanks was organized.²⁰ The criteria for accrediting seed genebanks have been drafted. They include physical infrastructure, technical manpower, and systems/procedures requirements. The Task Force has yet to draw up criteria for tissue culture genebanks. For vegetative materials, the Task Force recommends tagging standing trees in the applicants' field in lieu of depositing planting material into a genebank. AGILE/EGTA provide assistance in the deliberations of the Task Force.
- ❑ A workshop of examiners was undertaken to draft crop-specific DUS ("Distinctiveness, Uniformity and Stability") test guidelines for commodities subject of applications.²¹ These include sweet pepper, watermelon, and string beans, in addition to rice, corn and tomato, for which an EGTA consultant earlier drafted the proposed DUS test guidelines.

PLANS FOR THE 4TH QUARTER 2003

- ❑ AGILE/EGTA will seek the approval of the PVP Board on the recommended fees, the accreditation of depository genebanks, the DUS test guidelines, the financial systems and procedures, the pro-forma MOAs governing the deposit of materials in a genebank and the conduct of grow-out testing of varieties applied for PVP. These will enable processing of applications received.

INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT

Optical media legislation passed by December 2002.

- ❑ President Gloria Macapagal Arroyo has endorsed the Optical Media Bill as a priority bill. In a letter addressed to Senate President Franklin Drilon and Speaker Jose de Venecia last August; the President certified the "necessity of the immediate enactment of Senate Bill No. 2586 to address the public emergency consisting of the urgent need to strengthen enforcement mechanisms in intellectual property rights protection in optical media, thus promote legitimate electronic business and government revenue."
- ❑ The Intellectual Property Office (IPO)-sponsored Intellectual Property Rights Enforcement Action Panel (IP-REAP) information dissemination campaign continued this quarter. The Intellectual Property (IP) Caravan 2003 consists of series of seminars and roundtable discussions on Intellectual Property Rights for local governments, local business organizations, academe and Intellectual Property (IP) stakeholders. This series highlights the initiatives and IPR issues of the IP-REAP and the Intellectual Property Office, chief of which are:
 1. Recognition of the extent and damage of optical media piracy in this country and the need to pass appropriate legislation.
 2. Adoption of LGU ordinances to regulate the sale of IP infringing commodities in the respective territories of the local governments.

²⁰ The Task Force is composed of representatives from the Philippine Seed Industry Association, academe, and Bureau of Plant Industry.

²¹ In order to determine whether the variety an applicant is submitting for plant variety protection should be considered for such protection as a new and separate variety, it must pass a DUS test.

3. Conduct of an information and education campaign to help change public attitudes to appreciate the importance of protecting (and respecting) intellectual property.
4. Implementation of a sticker campaign that helps consumers know where to buy genuine instead of fake, and non-IPR infringing articles.

DRIVE AGAINST PIRACY GAINS MOMENTUM WITH IMPOSITION OF PENALTIES TO IPR VIOLATORS IN NAGA CITY

The Philippine government scored another victory in the fight against piracy and counterfeiting with the adoption of an ordinance imposing penalties in the sale, rental, transfer, distribution, manufacture, and production of fake goods including music and video discs in Naga City.

Passed and adopted on September 3, 2003, the ordinance was the result of the "Roundtable Discussion on Intellectual Property Rights" conducted in Naga City by the Intellectual Property Office, in coordination with the Intellectual Property Coalition and the Intellectual Property Alliance based in Cebu City.

Ordinance 2003-092 requires that all business licenses and permits issued by the City government must carry the express condition that the licensee(s) will not engage in the sale, rental, transfer, distribution, manufacture and/or production of pirated counterfeit or fake goods, articles or services. It also prohibits other persons to commit said acts within the licensee's business establishment or premises.

A breach of these conditions may be grounds for the revocation or suspension of the business permit. Moreover, the ordinance provides authority to the local government to seize or confiscate pirated or counterfeit goods of any person engaged in any business or trade.

The ordinance is expected to create a better business environment for the manufacture, production and trade of legitimate IPR-based goods and commodities.

The roundtable discussion is part of the IPO's IPR information dissemination and advocacy campaign drive nationwide. The Naga event was the fourth leg of a series of seminars on IPR for local governments, local government agencies, local business organizations, and Intellectual Property (IP) stakeholders.

Ordinance 2003-092, entitled "An Ordinance Imposing Penalties Upon Persons and Establishments for the Sale, Rental, Transfer, Distribution, Manufacture and/or Production of Counterfeit or Fake Goods, Articles, and for Other Purposes".

- The first leg of the campaign, held in Iloilo City, resulted in the passage of a proposed anti-piracy ordinance that was modeled after the LGU Ordinance Template presented during the seminar on June 20. The ordinance underwent a series of public hearings and is now in its final stages of revisions. AGILE/EGTA helped the IPO draft the LGU Ordinance Template.
- AGILE/EGTA helped the IPO, the Intellectual Property Coalition and the Intellectual Property Alliance of Cebu conduct the second leg of the 2003 IP Campaign Caravan in Cebu City on July 25. The activity was attended by 82 participants from the government and private sectors, as well as from the academe and media, and included a symbolic destruction of pirated optical media.

swifter response on the part of the Bureau to complaints by IP stakeholders on piracy and trademark infringements.

BORDER CONTROL FURTHER TIGHTENED WITH ESTABLISHMENT OF PERMANENT IPU IN BOC

The Philippines has further tightened border control over imports containing goods suspected of infringing intellectual property rights with the establishment of a permanent Intellectual Property Unit (IPU) in the Bureau of Customs (BOC).

The BOC issued Customs Special Order (CSO) No. 24-2002 transforming the Interim IPU into a permanent, fully staffed unit within the Intelligence and Enforcement Group of the customs agency. The IPU will serve as the liaison office of BOC to the Intellectual Property Office (IPO), government agencies concerned with IP enforcement, and the private sector.

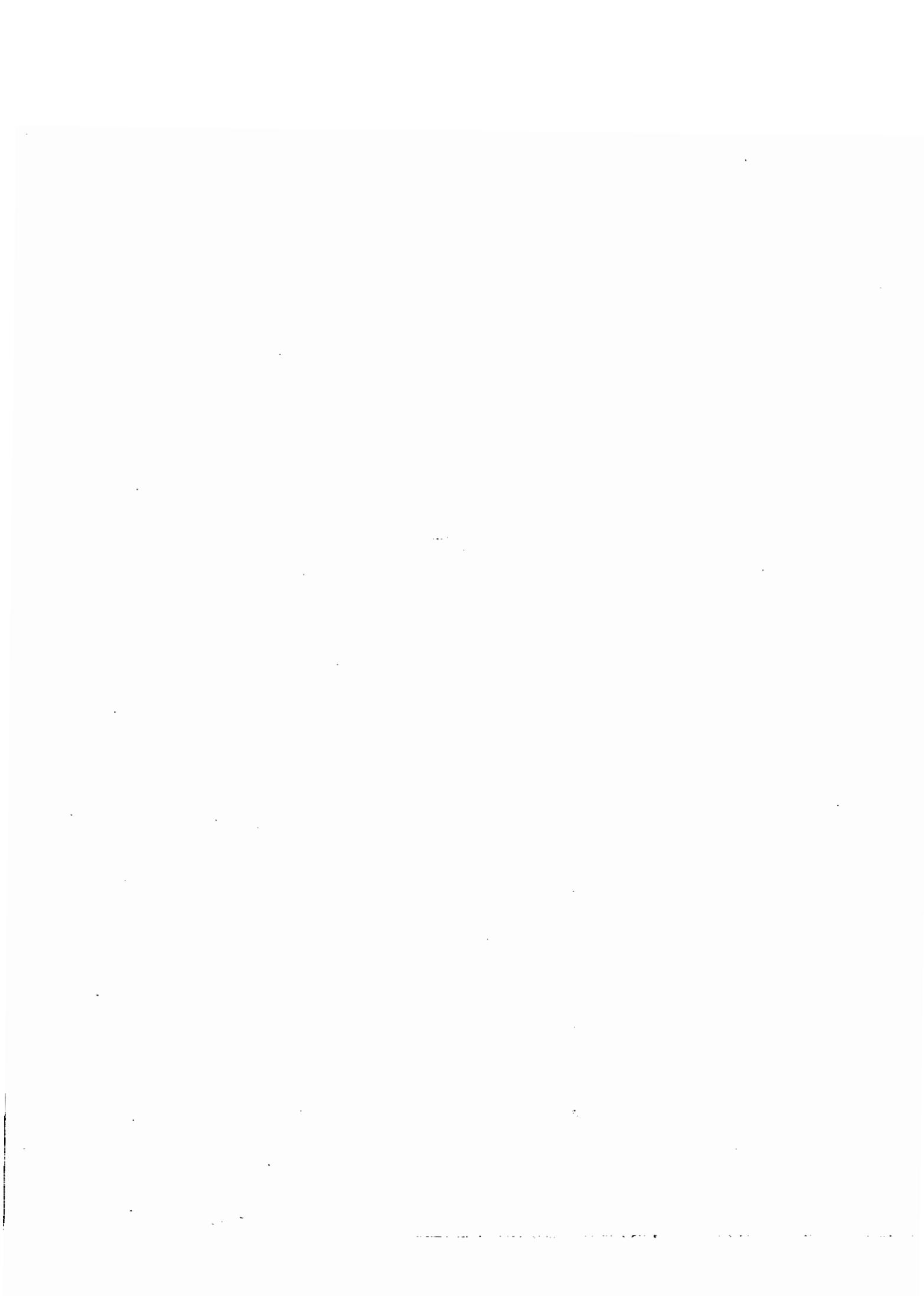
The institutionalization of a permanent IP Unit will further unify the approach and strategies of the BOC in the effective implementation and monitoring of possible IPR violations, particularly at the major ports of entry.

The IPU will take the lead in processing all applications for registration of products, receiving and acting on requests for issuance of Alert or Hold orders at the border, and investigating and/or prosecuting IPR cases.

AGILE/EGTA provides capacity and institution-building technical assistance to the IPU. One such assistance is the establishment of an IP management information system database containing IP product registration, importation and distribution details that can be used for the effective implementation and enforcement of the IP Code and CAO 6-2002 on border control. The AGILE/EGTA project is also helping the IPU develop a risk profiling system and an operations manual for enforcement agents of the unit.

PLANS FOR THE 4TH QUARTER 2003

- AGILE/EGTA will continue to assist the IP-REAP and IPO in the conduct of the "IP Caravan 2003" in the Metro Manila area and Davao City.
- Develop a Manual on Investigation for enforcers and prosecutors.
- Formulate a "Best Practices" guideline for the implementation of the sticker campaign of the IP-REAP.
- Conduct the IP workshop for enforcers and prosecutors.
- At the request of the BOC, conceptualize an activity that would help develop the BOC's database that contains relevant information that would help effectively monitor and prevent the entry of infringing goods at the border.



POLICY OUTCOME 2.4 COMPETITION POLICY STRENGTHENED

Results Package 2.4.a. Pro-Competition Policy Institutionalized

ACCOMPLISHMENTS FOR THE 3RD QUARTER 2003

Policy recommendations to NEDA relating to macroeconomic planning for recovery and sustained economic growth, the 8-point agenda, and the Medium-term Development Plan by December 2003

NATIONAL PRODUCTIVITY COUNCIL

- Upon the request of NEDA, AGILE/EGTA drafted an outline for the proposed project to assess the National Productivity Council.

BARRIERS TO MINING

- AGILE/EGTA conducted research on issues concerning barriers to the development of mining. The objective is to draft an analysis on how to revive the mining industry and make it a major contributor to the Philippine economy. Upon the concurrence of NEDA, the team met with different key stakeholders involved in the Diwalal Gold Mining issue, including the Natural Resources Mining Development Corporation (NRMDC), to discuss possible assistance in the mining industry.
- AGILE/EGTA met with the non-government organization (NGO) Environmental Science for Social Change (ESSC) headed by Fr. Peter Walpole's to discuss legacy issues in mining and the group's advocacy regarding the revitalization of responsible mining.
- AGILE/EGTA continued to monitor the status of the Supreme Court resolution on the Financial and Technical Assistance Agreement (FTAA) and the Mining Act. Questions on interpretation and the constitutionality of FTAA's are considered to be important barriers to the development of mining in the country.

CONSTRUCTION INDUSTRY

- Upon the request of NEDA, AGILE/EGTA monitored the development on the promise of the Department of Budget and Management (DBM) and the Department of public works and Highways (DPWH) to work out the accounts payable of P9.6 billion to local construction companies to ensure that the money goes back to the economy.
- At the request of NEDA, AGILE/EGTA began a review of the viability and economic contribution of the MRT-8 project linking the existing railways to the Eastern corridor of the country.

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PLANS FOR THE 4TH QUARTER 2003

NATIONAL PRODUCTIVITY COUNCIL

- Upon the request of NEDA Sec. Romulo Neri, EGTA will develop a framework and presentation outlining the problems that need to be resolved in various government agencies, especially those that directly affect the national economic recovery program.

BARRIERS TO MINING

- AGILE/EGTA will continue to do research on mining for the drafting of the final report to be submitted to NEDA Sec. Romulo Neri before the National Mining Summit on November 10, 2003.

CONSTRUCTION INDUSTRY

- AGILE/EGTA will draft an assessment of the construction industry and submit their final output to Sec. Neri in December 2003.

ACHIEVEMENTS As per Work Statement (August 2000 ²⁴)	STATUS
Policy Result 2.1.a Increased Competition in Air Transport	
<ul style="list-style-type: none"> <input type="checkbox"/> Increased air access and inclusion of trigger mechanism in air service agreements for key markets (UAW, Korea, Singapore, Taiwan, Malaysia, Japan, Thailand) by June 2003. <input type="checkbox"/> Devolve CAB authority through an Executive Order (EO) by June 2003. <input type="checkbox"/> Aviation-related investments and projects at DMIA in place by September 2004. 	<ul style="list-style-type: none"> x Work is in progress. <input checked="" type="checkbox"/> Work is in progress. <input type="checkbox"/> There were no developments during the quarter.
Policy Result 2.1.b Increased Competition in Maritime Shipping	
<ul style="list-style-type: none"> <input type="checkbox"/> Philippine Port Authority (PPA) issues revised bid rules for the renewal of expired and/or expiring cargo handling contracts by September 2002. <input type="checkbox"/> Legislation amending the PPA Charter enacted by September 2004. <input type="checkbox"/> Transparent and fair bidding process for Manila North Harbor by June 2003. <input type="checkbox"/> Rate panel submits recommendation to PPA Board to resolve the rate rollback issue by November 2002. <input type="checkbox"/> Rate panel formulates a methodology for rate adjustment containing the formula for rate-setting and public hearing mechanism by March 2003. <input type="checkbox"/> Public hearing process for tariff setting institutionalized by September 2003. <input type="checkbox"/> Administrative Order promoting RoRo service issued by the DOTC by September 2002. <input type="checkbox"/> Pure RoRo service operating on key routes with reductions in sea transport costs to users operational by Sept 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input type="checkbox"/> There were no developments during the quarter. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing.
Policy Result 2.2.a Increased Competition in Telecommunications	
<ul style="list-style-type: none"> <input type="checkbox"/> NTC issues an MC on Wholesale Pricing Principles with price schedule by July 2002. <input type="checkbox"/> NTC issues an MC on Methodology and Transition path to Cost-based Price end-point by December 2002. <input type="checkbox"/> NTC uses price schedule for use in mediation of interconnection disputes by November 2002. <input type="checkbox"/> Simple Cost Allocation Manual (CAM) published by October 2002. <input type="checkbox"/> Revised annual report based on chart of accounts for cost-based pricing published by August 2002. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA is working on the revisions.

²⁴ The Key Expected Accomplishments (KEAs) were modified in May 2002. See attached list of KEAs.

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ACHIEVEMENTS As per Work Statement (August 2000 ²)	STATUS
<ul style="list-style-type: none"> <input type="checkbox"/> NTC issues an MC on successor program of the service area scheme (SAS) by March 2003. <input type="checkbox"/> NTC issues an MC on the deployment of telecenters and public calling offices (PCOs) in unserved and underserved areas by July 2002. <input type="checkbox"/> Regulatory approach for transparent and effective frequency management system developed by July 2002. <input type="checkbox"/> NTC begins implementation of efficient and transparent spectrum in place by September 2003. <input type="checkbox"/> Mechanism for appropriate pricing and efficient allocation of spectrum in place by September 2003. <input type="checkbox"/> NTC issued an MC on price control mechanisms for Non-competitive Services by September 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA continues to assist the NTC develop successor program. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA is continuing discussions with the Commissioner. <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA is continuing discussions with the Commissioner. <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA is continuing discussions with the Commissioner. <input checked="" type="checkbox"/> The work is ongoing. AGILE/EGTA is continuing discussions with the Commissioner.
Policy Result 2.2.b E-Commerce & Information and Communications Technology (ICT) Developed	
<ul style="list-style-type: none"> <input type="checkbox"/> ITECC priority projects for implementation identified by August 2002. <input type="checkbox"/> E-Philippines strategic plan published by November 2002. <input type="checkbox"/> Conference and launching of E-Philippines strategic plan held by November 2002. <input type="checkbox"/> "Action taken to Date" report on e-government project by November 2003. <input type="checkbox"/> Framework and strategy for e-government project developed by September 2002. <input type="checkbox"/> E-government project to begin implementation by November 2002. <input type="checkbox"/> Tangible increase in efficiency or reduced transactions cost due to implementation of e-government project by September 2003. <input type="checkbox"/> Convergence law enacted by September 2004. <input type="checkbox"/> Law creating a Department of Information and Communications technology (DICT) enacted by September 2004. <input type="checkbox"/> Published report of ICT Services by June 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> The work is ongoing. <input type="checkbox"/> Work has not yet begun. <input type="checkbox"/> The activity is on hold. <input checked="" type="checkbox"/> The work is ongoing. <input checked="" type="checkbox"/> AGILE/EGTA started preparations for this activity.
Policy Result 2.3.a Grain Markets More Efficient and Equitable	
<ul style="list-style-type: none"> <input type="checkbox"/> Targeted Rice Distribution Program – design, operating plan, and enabling executive issuance by March 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Cancelled.

ACHIEVEMENTS As per Work Statement (August 2000 ²¹)	STATUS
<ul style="list-style-type: none"> <input type="checkbox"/> Legislation for the transfer of pro-farmer programs from the NFA to provincial LGUs and implementing regulations and broadening such support to ensure farmer access to certified seeds and irrigation services. <input type="checkbox"/> Legislation amending the NFA charter to enable reforms and implementing regulations by the end of 2003. 	<ul style="list-style-type: none"> x Cancelled. x Cancelled.
Policy Result 2.3.b Biotechnology Exploited Safely	
<ul style="list-style-type: none"> <input type="checkbox"/> The DA and its four regulatory agencies responsible for enforcing AO No. 8 have the capability to implement said Order by December 2003. <input type="checkbox"/> Safe exploitation and commercialization of biotech products in the Philippines; First modern biotech product given permit for commercialization by January 2003. <input type="checkbox"/> Bureau of Food and Drugs & Department of Health guidelines on processed biotech food products (including concerns on GM labeling) issued by March 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> Work is ongoing.
Policy Result 2.3.c Intellectual Property rights Protected	
<p>PLANT VARIETY PROTECTION</p> <ul style="list-style-type: none"> <input type="checkbox"/> Plant Variety Protection (PVP) legislation is enacted by February 2002. <input type="checkbox"/> The DA and other agencies responsible for implementing and enforcing the PVP law have capability to implement law in January 2003. <input type="checkbox"/> The Judiciary (through PHILJA) is briefed on the intent and the legal and practical implications of the PVP Law by December 2002. <p>INTELLECTUAL PROPERTY RIGHTS PROTECTED</p> <ul style="list-style-type: none"> <input type="checkbox"/> The BOC has the implementing rules and regulations necessary for border control and enforcement of the Intellectual Property Code by December 2001. <input type="checkbox"/> Optical media legislation passed by December 2002. <input type="checkbox"/> A competency-based evaluation system is established at IPO by May 2003. <input type="checkbox"/> A schools program designed to educate youth about IPR issues is developed and launched with industry groups by March 2002. <input type="checkbox"/> Mediation for IPR infringement disputes institutionalized at the IPO by April 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. x Cancelled. <input checked="" type="checkbox"/> The goal was accomplished. <input checked="" type="checkbox"/> Work is ongoing. <input checked="" type="checkbox"/> On-going. Students and academe are included as participants in the IP Caravan Roadshow. <input checked="" type="checkbox"/> Work is ongoing.

ACHIEVEMENTS As per Work Statement (August 2000)	STATUS
Policy Result 2.4.c Pro-Competition Policy Institutionalized	
<input type="checkbox"/> Revised General Banking Act enacted by April 2004.	<input checked="" type="checkbox"/> There were no developments for this particular activity during the quarter because this is no longer being pursued. Instead, AGILE/EGTA provided NEDA technical assistance to NEDA for economic policy options related to the Medium Term Development Plan (MTDP).

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3. ACTIVITY MANAGEMENT

AGILE/EGTA's project management and administration components provided a wide-range of support, guidance and oversight to the task order activities. In the third quarter of 2003, this support included the following:

Overall Management

Two events have been especially important in terms of overall management of AGILE/EGTA during the third quarter of 2003: Approval by the AGILE/EGTA Steering Committee, in August, of a new EGTA Work Statement; and notification by USAID Contracts Office that the AGILE/EGTA project would not have its budget fully funded.

Steering Committee Approval of EGTA Work Statement

At the request of former USAID AGILE Cognizant Technical Officer (CTO), Joe Ryan, AGILE prepared a new Work Statement for the last year of the project. This Work Statement was presented to the AGILE Steering Committee, and approved, at its September 9th meeting. Other important decisions taken during that meeting were to change the name of the project from AGILE to EGTA (Economic Governance Technical Assistance), and to accelerate recruitment of a businessperson to fill the vacant private sector position on the Steering Committee. In a previous ad hoc meeting of the Steering Committee, following the Senate Hearings on AGILE, the Committee decided to increase the frequency of meetings from semi-annual to quarterly.

The decision to change the name of the project was made in response to evidence that government counterparts were finding it difficult to introduce consultants as "AGILE consultants" given the negative PR barrage that had occurred during the February/March Senate Hearings. The change in protocols was a further reason for changing the name. There have been relatively few negative reactions from the name change.

In order to keep confusion about the project to a minimum as the name changes, this quarterly report explicitly refers to the project as AGILE/EGTA. This also reflects the reality that the project began the quarter as AGILE and ended it as EGTA. Subsequent quarterly reports will refer only to the new name, EGTA.

Budget Cut

Normally, when the project is requested to update the Work Statement, the following procedure is followed: Upon approval of the Work Statement the USAID Contracts Office (Office of Regional Procurement) requests an accompanying budget. A budget is formally submitted, reviewed (possibly modified) and ultimately approved by USAID. Upon approval of the budget, the project contract is formally amended or modified to reflect the new budget.

Following the Steering Committee approval of the EGTA budget, however, DAI was told by USAID that the July 14th letter from USAID ORP responding to DAI's "75%" letter precluded the need to issue a letter requesting submission of a budget. DAI was told, then (in the week following Steering Committee approval of the Work Statement), that a new budget should be submitted that allocated the remaining obligated-but-unspent funds. No other formal notification of the budget cut was received. DAI submitted to USAID a realigned budget that was approximately \$6 million USD less than the "Final AGILE Budget" approved by ORP on August 27, 2002.

Recruitment

**LIST OF LTTA/STTA EXPATRIATE CONSULTANTS MOBILIZED
FOR THE PERIOD JULY TO SEPTEMBER 2003**

Item	Name of Consultant	Position/Activity Name	LOE (No. of Person Days)	Duration of Employment
LTTA				
1	Kevin Donahue	Project Administrator Core Support to the Intermediate Results	308	July 28, 2003 to September 30, 2004
STTA				
1	Chris Zull	Department of Information and Communications Technology (DICT) Expert 2.2.b E-Commerce & Information and Communications Technology (ICT) Developed	8	July 28 to August 5, 2003
2	Helen Ujvarosy	Market Surveillance Documentation Specialist 1.1.a Capital Markets Better Regulated	23	July 1 to August 8, 2003 <i>Note: Ms. Ujvarosy's STTA started on 05/27/03 with LOE of 36 pd. Additional LOE of 23 pd was requested by the government counterpart to resolve the continuing issues and problems concerning the Advanced Warning and Control Systems (AWACS) market surveillance system.</i>
3	Steve Ujvarosy	Market Surveillance Training Specialist 1.1.a Capital Markets Better Regulated	23	July 1 to August 8, 2003 <i>Note: Mr. Ujvarosy's STTA started on 06/30/03 with LOE of 24 pd. Additional LOE of 23 pd was requested by the government counterpart to conduct another operational assessment on the utilization of AWACS market surveillance system.</i>
4	Tanya Torres	MIS Development Specialist Home Office Management Trip	10	August 22, 2003 to September 30, 2004 <i>Note: Ms. Torres will charge 7 and 3 person days for onsite and offsite work respectively.</i>

Conferences, training, seminars and workshops

Fifteen different discrete policy-oriented activities were undertaken during this quarter for a total of 1,056 participants. Twelve of the activities were in-country (1,044 participants) and three were held outside the Philippines (12 participants). A complete listing of all the meetings, seminars, travel, conferences and training is attached as an appendix to this report.

ANNEX 1

LIST OF REPORTS, POLICY BRIEFS & MEMOS, AND PRESENTATION MATERIALS

LIST OF REPORTS, POLICY BRIEFS & MEMOS, AND PRESENTATION MATERIALS

FINANCIAL SECTOR

Presentation Materials

Questions raised by Senators during interpellations on the Securities Act of 1999	September 1999
Philippine Conference on Securitization	September 1999
Materials for Bankruptcy and Adjudication Skills Seminar	December 01, 1999
Securities Act 2000	May 22, 2000
Financial Markets Sector Presentation to USAID	May 22, 2000
Securities Act 2000 Bicameral Committee Briefing Materials	May 29, 2000
Securities Act of 1999	
Revitalizing the Pre-Need Industry and Its Regulation	

Policy Primers/Briefs/Memorandum

Comments on Securities Act of 1999 (HB 297 and 3349 with SEC Proposals)	February 1999
Summary of Findings and Conclusions Regarding Insolvency Resolution and the Role and Capacity of the SEC Therein	March 1999
Comment on Senate Version of General Banking Act	March 1999
Draft briefing Paper on the Proposed Rules of Procedure on Corporate Recovery issued by the SEC	July 1999
AGILE's proposed Changes to Proposed Rules of Procedure on Corporate Recovery	August 16, 1999
Amended and Annotated Version of the Rules on Corporate Recovery taking into Account Proposed Changes	August 1999
Summaries of Comments Received by SEC on Rules of Procedure on Corporate Recovery	August 1999
Comments on the Lender-Specific Redemption Provisions in Senate Bill No. 1519 and House Bill No. 6814	August 1999
A Brief on the Salient Issues of the Securities Act of 1999	August 1999
Comparison of Proposed Rules of Procedure on Corporate Recovery with Amendments Provided by the Bankers' Association According to Criteria	September 1999
A Brief on Housing Finance Briefer	October 27, 1999
Comments on the General Banking Act	October 29, 1999
Letter to Bankers' Association of the Philippines on Redemption Issue in General Banking Act	November 17, 1999
SCCP Licensing	July 07, 2000
Rationale for HB 878 Proposing Amendments to R.A. No. 7653	
Comments on HB 8015 – a bill amending the Securities Act of 1999	

Technical Reports

Capital Market Development Component Project Work Plan (<i>Draft Work Plan/For Discussion Only</i>)	March 1999
A Report on the Technical Assistance Needs of the Department of Finance & GOP	April 1999
A Comprehensive Strategy for the Continuing Development of the Philippine Capital Market	June 1999
A Strategic Vision: Strengthening Philippine Mutual Funds and Improving the Public's Perception of Them	August 1999
Comprehensive Study on Pre-Need	July 16, 1999
Report on Securitization in the Philippines	
Trip Report: Developing A Secondary Market for Debt Products in the Philippines	
Philippine Stock Exchange Governance	March 2000

Operating A Secondary Debt Market in the Philippines	March 2000
System & Trading Status Debt Trading in a Secondary Market Place	March 2000
Final Report: Securities Law Disclosure Expert	March 2000
STTA – Final Report – Macroeconomic Advisor International Finance Group Department of Finance of the Philippines	April 25, 1999
Technical Assistance Needs of the Department of Finance and the GOP	April 30, 1999
Guideline for A Definitive Study of the Philippine Pre-Need Industry and a Program for its Regulation	May 21, 1999
Corporate Governance in the Philippines: An Assessment of Needed Reform Efforts	November 15, 1999
Final Version: Report on the Insolvency System in the Philippines	December 03, 1999
Final Report: William F. Archerd, Securities Law Disclosure Expert	March 20, 2000
Closing Report of Robert H. Davenport: Securities Enforcement Expert	March 22, 2000
Legislative History of the Securities Regulation Code	June 2001

Public Information Materials

Corporate Rehabilitation: The Philippines Experience	June 21, 1999
Proposed Rules of Procedure on Corporate Recovery	July 14, 1999
Business World Article: Introduction to the Rules of Procedure on Corporate Recovery	February 15, 2000

FISCAL SECTOR

Presentation/Workshop Materials

Strategic Planning Workshop on Municipal Bonds	May 1999
BIR-DOF-IMF Workshop on Tax Administration	June 1999
Rationalizing Road User Charges in the Philippines	June 1999
Department of Finance Workshop on Local Government Code Amendment	August 1999
AGILE Legislative Briefers: DOF Strategic Advocacy Planning Workshop	October 1999

Policy Primers/Briefs/Memorandum

External Debt Memo to Assistant Secretary Jun Paul	May 28, 1999
Continuation of Comprehensive Tax Reform Package (CTRP) (R.A. 8424) List of Implementing Rules and Regulations (Q&A Form) for the Department of Finance	

Technical Reports

Road User Charges Study: Draft Final Report First Draft of Congestion Costs Section	February 1999
Meeting with BAP and BIR and Notes Concerning Remaining VAT Issues	April 1999
Revenue Regulations	September 09, 1999
Rationalizing Road User Charges in the Philippines	November 1999
Comparative Taxation of Financial Instruments and Financial Organization in the Asia-Pacific Region	September 1999
Philippine Central Depository (PCD) Operations Review	August 07, 2000
Towards A Framework for Managing the Contingent Liabilities of Government of the Philippines	March 2001
Identifying Fiscal Risks: Government CL in BOT/PSP Projects & Under GOCC Charters	February 22, 2002

TRADE AND OTHER REFORMS

Presentation/Workshop Materials

United Nations Conference on Trade and Development	February 1999
The General Agreement on Trade in Services and Related Instruments	April 1999
Powerpoint Presentation on Twenty Years of Deregulation 1978-1998	October 1999
Retail Trade Liberalization Presentation	October 19, 2000
Overview: Retail Pricing Regime	August 15, 2001
Wholesale Charging Regime – Update Workshop & Preparation for Public Hearing	October 16, 2001
Overview Wholesale Pricing Regime	October 17, 2001
Forum on the Anti-Money Laundering Law & Implementing Rules & Regulations	December 12, 2001

Policy Primers/Briefs/Memorandum

Proposed Acceleration of Asian Free Trade Agreement-Common Effective Preferential Tariff (AFTA-CEPT) for Brunei Darussalam Indonesia Malaysia the Philippines –East ASEAN Growth Area (BIMP-EAGA) Products	April 12, 1999
Implications of Harmonized Rules of Origin on Other WTO Agreements	March 9, 1999
Proposed Trade and Economic Cooperation Agreement	March 9, 1999
2 nd TPR of the Philippines	March 5, 1999
WTO Harmonized Rules of Origin	March 9, 1999
Study on the Philippine Implementation of WTO Commitments	March 9, 1999
Proposed Negotiation Under Article XXVIII of GATT	March 9, 1999
WTO-Inconsistent Provisions of Pending Legislation on Countervailing Duties	March 9, 1999
"Fair Market Value" and "Normal Value" in the Philippine Jurisprudence	April 14, 1999
Consolidated Comments on Senate Bill No. 1330 on Countervailing Duties	April 16, 1999
Imposition of Special Safeguards Under the Flexible Tariff Clause	May 5, 1999
Action Agenda for APEC Meeting	May 1999
Memo to Socio Economic Planning Secretary Felipe Medalla on Analysis of a Unified Contractor Scheme	September 1999
A Primer on Retail Trade Liberalization	November 26, 1999
Primer on the WTO Anti-Dumping and Countervailing Measures	September 1999
Potential Effects of a Shift to Transaction Value System	November 30, 1999
Retail Trade Liberalization Legislation Report	December 10, 1999
Creating an Interim Special Unit to Process Countervailing and Anti-Dumping Petitions	

Technical Reports

Assessment of Philippine Tariff Reform: A 1998 Update	March 1999
Safeguards and Regulations on Copyrights	April 1999
Implementing Rules and Regulation for the Anti-Dumping Act of 1999	June 12, 1999
Copyright Safeguards and Regulations	July 31, 1999
Primary Agency to Regulate Wholesale and Retail Regimes	August 25, 1999
An Analysis of Philippine Trade Reforms in 1995-2000: Using the 1994 APEX Model	October 31, 1999
Retail Trade Liberalization Without Apology	December 08, 1999
Legal Opinion on the Kintanar-proposed Executive Order on Wholesale and Retail Pricing	July 31, 2000
Devolution and Local Development: Ten Years After the Enactment of Local Government Code of 1991	February 28, 2002

Public Information Materials

EPG Guesting on "Jeep ni Erap" For August 21, 1999	August 21, 1999
Statement of Support for Retail Trade Liberalization	November 26, 1999

The Case for Retail Trade Liberalization: Retail Trade Without An Apology
Analysis of the Retail Trade Liberalization Law
Retail Trade Liberalization Study

December 08, 1999
March 15, 2000
March 27, 2000

AGRICULTURE

Presentation/Workshop Materials

Trade Related Problems and Policies Issues in the Philippine Agriculture	June 1998
Workshop on the Marketing and Financial Operations of NFA, General Santos City	May 1999
Presentation/Workshop on Modeling the Impact of NFA Interventions	June 1999
WTO Renegotiation Consultation, Butuan City	June 1999
Regional Consultations on Issues for the Next Round of WTO Negotiations for Agriculture	September 1999
The Biotechnology Conference of the Philippines (BCP)	August 10, 2001
WTO Implementation Issues	August 10, 2001

Policy Primers/Briefs/Memorandum

Department of Agriculture Comments on the National Food Administration (NFA) Reorganization Bill	December 1998
Letter of Sugar Producers Regarding the Minimum Access Volume (MAV)	March 2, 1999
Proposals of Sugar Regulatory Administration (SRA) for the Importation of Raw Sugar	March 2, 1999
TOR of Proposed Task Force on APEC Food System	March 5, 1999
Proposed TOR for the Assessment Impact Study	March 8, 1999
Materials for the Task Force on WTO Agriculture Agreement Re-negotiation	March 8, 1999
Communications on Sugar Importation	March 8, 1999
SRA Proposals Re: Sugar Importation	March 8, 1999
Draft Report on Sugar by the Committee on Trade	March 9, 1999
Tariff Commissions Proposal on Sugar	March 9, 1999
Department of Agriculture Comments Proposals on Sugar	March 9, 1999
Memorandum on Administrative Options for the Department of Agriculture on Anti Dumping Law	November 19, 1999
Compilation of Memos: Admin Options for the Department of Agriculture to Administer the Anti-Dumping & Countervailing	December 1999

Technical Reports

Financial Options for Restructuring the National Food Authority Draft Interim Report	August 1999
Strategic Planning for the Reorganization of the National Food Authority Inception Report	May 1999
Market-Friendly Food Security: Alternatives for Restructuring National Food Authority	August 1999
Interim Report on International "Best Practices" in Privatization of Parastatals in Agriculture and Preliminary Implementation	July 19, 1999
Privatization of the National Food Authority	November 1999
Agricultural Trade Remedies Organization Study	November 1999
Philippine Implementation of WTO Commitments on Agriculture	December 1999
Fisheries Trade Policy	December 1999
Agricultural Trade Policy	December 1999
The WTO and the Philippine Agriculture	December 1999
Farms, Food and Foreign Trade: The WTO and Philippine Agriculture	December 1999
Institutional Aspects of Plant Variety Protection	December 1999
Implications for Philippine Agriculture Policy and WTO Negotiations Strategy	December 1999
Plant Variety Protection Act of 1999	December 1999

International "Best Practices" in Privatization of Parastatals in Agriculture and Preliminary Implementation Strategies for Decoupling	July 19, 1999
Patterns of Trade Protection in Corn: A Summary of Simulation Exercises	January 11, 2000
Strategic Reorganization of the NFA for the New Millennium	January 31, 2000
Financial Options for Restructuring the National Food Authority: Executive Summary	March 31, 2000
Financial Options for Restructuring the National Food Authority	March 31, 2000
Case Studies on Selected Subsectors (Grains, Hog, Poultry, Meat Processing, Mango & Asparagus)	

INVESTMENT AND REGULATION

Presentation/Workshop Materials

Comments on the Pre-Need Securities Code (S.B. Nos. 1187, 12171 & 1424)	February 1999
1 st Contingency Planning Workshop Civil Aviation Training Center	April 1999
2 nd Contingency Planning Workshop Air Traffic Management (ATM) Year 2000 (Y2K)	May 1999
Kick-Off Meeting Universal Access Bench Marking	July 1999
Transportation Policies to Promote Tourism (ATO)	July 1999
Universal Access Benchmarking Workshop	July 1999
Interconnection Implementing Rules and Regulations Workshop	September 1999
Powerpoint Presentation on Executive Order 59 & 59-A to COCAFAM	August 1999
Regional Tourism and Transportation Workshop (Cebu)	August 1999
Powerpoint Presentation on International Air Services Inquiry	October 1999
Powerpoint Presentation on Air Transport Policies	October 1999
National Telecommunications Commission Website Planning Workshop	October 1999
Interconnection Implementing Rules and Regulation Workshop II	December 1999
Convergence Seminar/Workshop	December 1999
Draft: Implementing Rules & Regulations (IRR) for the Interconnection of Authorized Public Telecommunications Entities	January 2000
How Does our Civil Aviation Serve Us?: A presentation by Freedom To Fly Coalition	January 2000
Communication Act of 1934: Federal Communication Commission	April 2000
Universal Access Benchmark Study	May 2000
A Comparative Matrix of the E-commerce Bills (SB No. 002 & HB No. 9971)	June 2000
Interconnection Study	August 31, 1999
Putting Convergence into Context	December 23, 1999
How Does Our Civil Aviation Serve Us?	February 04, 2000
National Telecommunications Commission Presentation to the 6 th Meeting of the Mindanao Telecommunications Task Force	March 23, 2000
Presentation to USAID: UA Benchmark Study	March 31, 2000
Foundation for Economic Freedom Accomplishment Report Media Campaign on Tax Administration	May 14 – June 14, 2001
Universal Service and the Service Area Scheme (SAS): Issues and Strategy	July 31, 2001
Managing the Radio Frequency Spectrum in the Information Age	July 31, 2001

Policy Primes/Briefs/Memorandum

Nationality Requirements Imposed on Foreign Investments	April 27, 1999
Position Paper on Electronic Commerce Bills Before the House of Representatives	September 1999
A Primer on Executive Order 59 and 59-A	September 1999
New Draft Executive Order 59	August 1999
ASEAN Information Infrastructure White Paper	December 06, 1999
Primer: An Introduction to E-Commerce	January 31, 2000
A Primer on Civil Aviation Policy in the Philippines	February 08, 2000



The E-Commerce Bill and Hacking	May 12, 2000
Electronic Direct Registration	May 23, 2000
The E-Commerce Law: A Preliminary Analysis	June 12, 2000
E-Commerce Position Paper presented to the House of Representatives	

Technical Reports

Review of Interconnection Legislation	June 1999
Short-Term Telecommunications Policy Contract	June 1999
Evaluation of the Philippine Y2K Contingency Plan in Air Transport	June 1999
Diagnostic Study on the BOT Law RA 7718 and IRRs	August 15, 1999
Proposed Implementing Rules and Regulations for Interconnection: Draft Report	August 16, 1999
Role of Air Transportation in Tourism Development	
Airline Policies	
Draft IRRs on Interconnection (revision as of August 25, 1999)	August 25, 1999
Study on Restructuring of the Financial Liabilities of Power Sector, Final Report (NAPOCOR)	March 2000
Final Report on Interconnection Legislation	April 30, 1999
Review of Interconnection Legislation (Final Report)	June 30, 1999
Air Transportation Project Strategy	December 20, 1999
The Issue of Admissibility in Evidence of Electronic Documents	January 31, 2000
Freedom to Fly Coalition's Proposed Final Implementing Rules and Regulations to E.E. 219	February 28, 2000
Legislative Response to E-commerce	March 02, 2000
Universal Access Benchmark Report	May 31, 2000
Comparative Matrix of Senate and House Provisions on the E-commerce Bill	June 09, 2000
Industry Comments Matrix on the Interconnection IRRs	June 20, 2000
National Telecommunications Commission Memorandum Circular on the Interconnection IRRs	July 20, 2000
Draft NTC Memorandum Circular on Price Controls (version 1)	July 20, 2000
Comparative Analysis on Proposed House Bills on E-commerce	

Public Information Materials

An Overview of E-commerce	March 15, 2000
Consultative Document on Wholesale Charging Regime Access and Interconnect Arrangements	August 03, 2000

GOVERNANCE

Presentation/Workshop Materials

Budget Dialogue Group (DBM)	February 1999
Proceedings of the Congressional Forum on H.B. No. 7845	July 1999
Proceedings of the Congressional Forum on HB No. 7845: Proposed Amendments to the Local Government Code of 1991	August 1999
Powerpoint Presentation on Modernization of Public Procurement	August 1999
Air Traffic Management Year 2000 (Y2K) Contingency Plan of the Philippines	October 1999
SEC Hearing Officer Training: Bankruptcy & Adjudication Skills Seminar (<i>Supplemental Case</i>)	December 1999
SEC Hearing Officer Training: Bankruptcy & Adjudication Skills Seminar (<i>Phase I</i>)	December 1999
SEC Hearing Officer Training: Bankruptcy & Adjudication Skills Seminar (<i>Supplemental Case Vol. II</i>)	December 1999
SEC Hearing Officer Training/Bankruptcy & Adjudication Skills Seminar/An Introduction to the Rules of Procedure on Corporate Recovery Volume II	January 2000
Seminar Slides: Introduction to the Rules of Procedure on Corporate Recovery	January 14, 2000
Seminar Slides: Review of Liquidation	January 21, 2000
Seminar Slides: Procedures for Applying Rules to Current Cases	January 21, 2000

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Policy Primers/Briefs/Memorandum

Follow-Up on the Notion that Rehabilitation is an Investment	July 1999
Memo to Socio Economic Planning Secretary Felipe Medalla on Raising Concerns Over Competitive Impact of Government Activity	July 1999
Briefing Paper for Chairman on Suspension of Payment Rules	July 1999
Matrices Comparing Proposed SEC Draft Rules on Corporate Recovery with that Developed by USAID/WB Consultants	August 1999
Summary of Comments on Proposed Rules on Corporate Recovery Received as of August 2	August 1999
Questions and Answers on Adequate Protection	September 1999
Rules of Procedure on Corporate Recovery with Proposed Amendments and Annotations	September 03, 1999
Matrix on Proposed Rules on Corporate Recovery Compared to World Bank Standards	September 15, 1999
Pros and Cons of Five Controversial Issues Regarding the Rules of Procedure on Corporate Recovery	October 07, 1999
The BDG Experience	November 17, 1999
Final Version: Suggested New Section to the Rules of Procedure on Corporate Recovery on Management Committees	December 07, 1999
Final Version: Memorandum to the Commission En Banc Re Proposed Changes to the Rules on Corporate Recovery in Light of Latest Discussions	December 08, 1999
Final Version: Technical and Quasi Technical Changes to the Proposed Rules on Corporate Recovery (12/8 version)	December 08, 1999
Final Version: Suggested Changes to Rules on Corporate Recovery	December 09, 1999
Final Version: Memorandum to Chairman Discussing Supreme Court Case on PD 902-A	January 18, 2000
Final Version: Model Order in Response to a Petition for Rehabilitation under the New Rules	February 02, 2000
Final Version: Model SEC Order in Response to a Petition Seeking Suspension of Payments and Rehabilitation	February 02, 2000

Technical Reports

Ideas on Revision in the Local Code Government	April 1999
Piloting a Budget Management System	May 21, 1999
An Integrated Financial Management Information System for the GOP	August 1, 1999
Draft White Paper on Review and Assessment of Procurement Systems and Procedures in the Philippines	August 16, 1999
Proposed TA for Procurement Reforms	August 30, 1999
Considerations for Modernizing GOP Procurement	April 2000
Proposed Amendments to Book II of the Local Government Code of 1991	April 30, 1999
DBM MIS Rapid Assessment	June 04, 1999
Nature and Power of Authority of NTC vis-à-vis DOTC	August 25, 1999

MONITORING REPORTS

<i>The Revised AGILE Life of Contract Work Plan: Confronting Policy Reform Challenges for the 21st Century</i>	October 1998
<i>The Second Year Task Order Work Plan: Accelerating the AGILE Response to Strategic Policy Changes</i>	December 1998
<i>The Revised Second Year Task Order Work Plan: Accelerating the AGILE Response to Strategic Policy Changes</i>	January 1999
<i>The Revised AGILE Life of Contract Work Plan: Confronting Policy Reform Challenges for the 21st Century</i>	October 1998

Quarterly Performance Monitoring Report

Quarterly Performance Monitoring Report (October to December 1998)	January 31, 1999
Quarterly Performance Monitoring Report (January to March 1999)	May 06, 1999
Quarterly Performance Monitoring Report (April to June 1999)	August 18, 1999
Quarterly Performance Monitoring Report (July to September 1999)	October 30, 1999
Quarterly Performance Monitoring Report (October to December 1999)	January 31, 2000
Quarterly Performance Monitoring Report (January to March 2000)	May 2000
Quarterly Performance Monitoring Report (April to June 2000)	June 2000
Quarterly Performance Monitoring Report (January to March 2001)	May 10, 2001
Quarterly Performance Monitoring Report (April to June 2001)	July 2001
Quarterly Performance Monitoring Report (July – September 2001)	October 2001
Quarterly Performance Monitoring Report (October to December 2001)	February 6, 2002
Quarterly Performance Monitoring Report (January to March 2002)	April 30, 2002

Statement of Work

Statement of Work	June 23, 1999
Statement of Work	December 1999
Statement of Work	June 2000
DAI Statement of Work	March 13, 2001
Statement of Work, Revised Draft	May 16, 2001
DAI Statement of Work for AGILE Contract – June 2001 – June 2003	June 2001
Steering Committee No. 3	July 28, 1999
Steering Committee No. 4	June 2000
DAI Statement of Work	March 13, 2002

Legislative Briefing Notes

AGILE Legislative Briefing Notes	September 1999
AGILE Legislative Briefing Notes	January 18, 2000
AGILE Legislative Briefing Notes	February 2000
AGILE Legislative Briefing Notes	April 2000
Legislative Briefing Notes	April 2001
AGILE Legislative Briefing Notes Volume 5	April 5, 2002
AGILE Legislative Briefing Notes Volume 6	May 2002
Legislative Briefing Notes	October 2002

Monthly Reports

Monthly Activity Report	February 2000
Monthly Activity Report	March 2000
Monthly Activity Report	April 2000
Monthly Activity Report	February 2001
Monthly Activity Report	January 2001
Monthly Activity Report	February 2001
Monthly Activity Report	March 2001
Monthly Activity Report	April 2001
Monthly Activity Report	May 2001
Monthly Activity Report	June 2001
Monthly Activity Report	July 2001
Monthly Activity Report	August 2001

DA Draft, 01.12.02 Revised Rules and Regulation for the Importation and Release into the Environment of Plants and Plant Products Derived from the use of Modern Biotechnology	January 2002
Assessment of the Implementation of Service Area Scheme (SAS) NTC	January 2002
History/Background of the Securities Regulation Code Republic Act 8799	February 2002
Draft Bill amending the PPA Charter (Soft Copy Only)	February 2002
The Global Information Technology Report 2002: Readiness for Networked World by Harvard University Center for International Development (Soft Copy Only)	February 2002
PRISM Report	March 1, 2002
The Statement of Income and Expenditures Manual Draft discussion	March 01, 2002
Information Seminar on R.A. 91, CAO-52001 CMO 12 & 3-202 (BOC)	March 12-14, 2002
Executive Order 40 (Consolidating Procurement Rules and Regulations and Procedures, Series of 2001 and its implementing rule and regulations (Signed copy)	March 2002
Trends in Economics and Finance: Cost, Tariff and Interconnection Rate Calculation Methodology and Application to Case Studies (Hard Copy Only)	March 2002
2002 National Electoral Reform Summit Documentation, Bayview Park Hotel, Manila	April 29-30, 2002
Primer on the Procurement Reform Bill	May 2002
Biotech Seminar Materials held in Tagaytay City	May 2002
Post-entry Audit System and Customs Record Keeping Requirement: A Primer	May 2002
Global Experience in Corporation: The Implication for Revenue Collection in the Philippines	June 2002
Presentations by: Graham Scott and Commissioner Rene Bañez	
Estimating Industry Benchmarks for the Value Added Tax by: Rosario Manasan (Soft Copy)	June 2002
Procurement Reform Bill S.N. No. 182 (Working Draft)	June 2002
BOC RRI R.A. 8283 and Creation of an Interim Intellectual Property Unit (IPU)	June 2002
Senate Technical Working Group on Procurement Reform Bill Meeting No. 1	June 2002
The Development of the Law and the Rules on Corporate Rehabilitation	June 2002
Consultation Meeting on the Proposed Rules and Regulation of the BOC, IPO Building	June 2002
Towards Rationalizing the Investment Incentive System, Final Report	June 2002
A Primer on the Freedom to Fly Coalition	June 2002
Philippine Information Technology Perspective (Book-Xerox Copy Only)	June 2002
Technical Working Group Meeting on Procurement Reform Bill Senate Committee on Constitutional Amendments and Revision of Law	June 2002
Symposium on the Proposed Corporate Recovery Act	July 2002
Llave Review and Training Center, Inc.	July 2002
National Budget Circular No. 476 and 479	July 2002
Sustaining the Tariff Reform Program	July 2002
Implementing Rules and Regulations of the Philippine Plant Variety Protection (PVP) Act 2002	August 2002
Criminal Courts Management	August 2002
Transforming the Philippines of Internal Revenue	August 10, 2002
Judicial Manual on Corporate Rehabilitation	September 2002
Technical-Legal Aspect of Corporate Liquidation Most frequently Asked Questions in Insolvency	September 2002
Handouts for the Intellectual Property Rights	September 2002
Salient Features of H.B. No. 5054 Entitled, An Act Creating the Internal Revenue Management Authority Proving Funds	September 2002
Handouts for the ITECC: Review Draft of the ITECC Strategic Plan	September 2002
Manila LRT Line 1 Extension Projects: (Soft Copy Available Only)	September 2002
- Executive Summary, November 1999	September 2002
- Volume V Financial, September 2000	
- Implementation Agreement Manila LRT 1 Extension Project	
- Schedules	

Republic Act No. 9168, An Act to Provide Protection to New Plant Varieties, Establishing a National Plant Variety Protection Board and for other Purposes (Soft Copy Only)	September 2002
Board of Investment (BOI)	September 2002
Department of Trade and Industry (DTI)	September 2002
Basic Mediation Course Based on "When Talk Fails" An Interest-Based Mediation Program	
PWC Discussion Paper Enhancements to Regulatory Accounting Separation in the Philippines Telecommunications Industry (Soft Copy Only)	September 2002
AGILE Policy Reform Monitoring Report Issues No. 6 (RA 8800 or the Safeguard Measures Act: Infrequently used and Misued)	September 2002
Conference on the Proposed Anti-Terrorism and Anti-Terrorist Financing Bill – Final Report	September 2002
Handouts for the Biotechnology: Regulating the Commercialization of Biotech Plants and Plant Products in the Philippines	October 2002
Organizational Transformation Plan (OTP) (Soft Copy Only)	October 2002
Plant Variety Protection Primer	October 8, 2002
Agenda – ITECC Council	October, 2002
Proposed Consolidated Interim Rules of Procedure on Corporate Liquidation (First Draft)	October 2002
Materials for the Internal Revenue Management Authority (IRMA)	October 2002
Session Guide for the Facilitation Team	October 2002
Drafting the ITECC Strategic Plan, Frank Holz Human Resource Expert, Final Outputs	October 2002
Proposed Expansion of the Jurisdiction of the Special Commercial Courts (2002)	October 2002
Republic Act No. 8792	October 2002
An Act Providing for the Recognition & Use of Electronic Commercial & Non-Commercial Transactions, Penalties for Unlawful use thereof, and other purposes	October 2002
Guidelines for the Conduct of Tests for Distinctness, Uniformity & Stability, Various PVP Documents	October 2002
Various WTO Legal Texts – The WTO Agreements World Trade Organization	October 2002
Seminar-Workshop on Performance Evaluation Participants Manual, Intellectual Property Office (IPO)	October 2002
Workshop Documentation for the Intellectual Property Rights Workshop	October 2002

ANNEX 2

CURRENT STAFFING LIST BY TECHNICAL AREA

LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
AGILE HEADQUARTERS				
Project Management and Administration				
Chief of Party	Ramon Clarete	792	522	270
Managing Director	David Tardif-Douglin	792	522	270
Senior Policy Advisor	Cesar Virata	120	36	84
Technical Backstop	Raymund Fabre	103	100.1	3
Project Administrator	Kevin Donahue	308	47	261
Senior Office Manager	Maritess Avila	695	533	162
Executive Assistant	Mitos Aldave	695	533	162
MIS Development Specialist	Tanya Torres	10	7	3
Project Associate	Priya Kathpal	220	0	220
Accounting and Finance Unit				
Senior Project Accountant	Inma Cordero	695	533	162
Assistant Project Accountant	Cora Calanasan	695	531	164
Satellite Office Finance Specialist	Carlito Magnaye	695	533	162
Financial Assistant	Ariene Babierra	528	443	85
Financial Assistant (STTA)	Rowena Magalso	110	80	30
Human Resources				
Human Resources Manager	Bernardo Fernandez	695	533	162
Personnel Assistant	Muriel Toledo	88	33	55
Policy Advocacy Unit				
Legislative Monitoring Specialist	Maya Cui-Odulio	379	309	70
Policy Conference and Training Unit				
Training Assistant	Annaliza Majomot	695	533	162
Performance Monitoring Unit				
Policy Impact Monitoring Specialist	Enrique Lozari	528	411	117
Performance Monitoring/TAMIS Manager	Tanja Lumba	341	281	60
Publication/Production Unit				
Editor & Head of Publication Unit	Ronaldo Jabal	351	232	119
Production Assistant	Rienerlita Bacus-Payupay	695	533	162
Production and Presentation Assistant	Arnold Gonzales	695	533	162
Information Technology Unit				
Network Administrator	Gener Daluz	264	223	41

**LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003**

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
General Office Support				
Administrative Support Assistant	Paulita Trinidad	341	272	69
Receptionist	Guia Janson	695	533	162
Driver	Alfredo Borja	695	533	162
Driver	Luis Santos	695	533	162
Driver	Carl Scott	520	392	128
Messenger/Utility	Wilfredo Estanislao	695	533	162
Messenger/Utility	Ricky Caampued	695	524	171
Policy Outcome 1.1 Commercial Law Strengthened and Enforced				
<i>1.1.a. Capital Markets Better Regulated</i>				
Commercial Law Group Manager	Hugh Patton	528	468	43
Commercial Law Team Leader	Antonio Jamon	244	302	-58
Capital Markets Task Manager	Noel Gamo	264	212	52
Legal Specialist	Socorro Lerrer	370	330	40
Pre-Need Governance Specialist	Conchitina Gregorio	264	194	70
Driver	Charlo Sajol	360	335.5	24.5
Messenger/Utility	Melanio Bolga	360	338.98	21.02
<i>1.1.b. Pension Reform Strengthened through the Passage of a PERA Law</i>				
DOF Task Manager	Rowena Arceo	76	97.12	-21.12
<i>1.1.c. Assistance to the National Commission on Savings (NCS) to Enhance Savings Mobilization Measures</i>				
DOF Task Manager	Rowena Arceo	76	6	76
<i>1.1.d. Increase Domestic Investor Base</i>				
Commercial Law Advocacy Team Leader	Antonio Jamon	179	161	18
Capital Markets Task Manager	Noel Gamo	264	243	21
Legal Specialist	Socorro Lerrer	228	149	79
Leasehold Study Lawyer	Mar Lea Dayao	44	22	22
Messenger/Utility	Melanio Bolga	360	200.48	159.52
Driver	Charlo Sajol	360	174.5	185.5
<i>1.1.e. Insolvency Laws and Regulations Streamlined</i>				
Commercial Law Advocacy Team Leader	Antonio Jamon	114	27.5	86.5
Commercial Law Strengthening Task Mngr	George Carmona	260	147.33	113
CRIA Consultant	Manuel Yngson	10	3.87	6
<i>1.1.f. Commercial Laws Enforced</i>				
Commercial Law Advocacy Team Leader	Antonio Jamon	114	44.05	69.95
Commercial Law Strengthening Task Mngr	George Carmona	456	263.85	192

LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
TL /Grp. Mngr for Governance & Anti-Corruption	Emil Bolongaita	264	165	99
Rule of Law Specialist	Gerard Mosquera	264	114	150
Governance Coordinator	Mercy Ria Orca	264	106.75	157
Policy Research & Management Specialist	Carol Pascual	106	40.75	65
Integrity Protection Service Task Manager	Roberto Reblora	97	33	64
Governance Research Associate	Cheryl Rose Orata	91	33	58
Legal Specialist	Renato Lopez Jr.	264	140.5	124
Mediation Expert	Eduardo de los Angeles	20	2.5	17.5
Information Technology Specialist on Judicial Reform	Benjamin Santillan	22	4.68	17.32
Judicial Reform Network Coordinator	Ma. Rejina Ilusorio	264	162	102
CA Mediation and reform Specialist	Andrew Ong	20	10	10
Technical Associate	Ma. Elena Delfin	528	338	190
Administrative Officer	Fides Ferrer	264	183	81
<i>Policy Outcome 1.2 Revenue Administration Strengthened</i>				
<i>1.2.a BIR Made More Transparent and Efficient in Revenue Generation</i>				
Public Revenue Management Group Manager	Manoleta Gonzalez	459	280	113
BIR Task Manager	Francis Vicente	264	224	40
Constituency Building & Advocacy Team Leader	Ed Coronel	205	170.63	34
Legal Specialist:	Ana Lea Uy	154	147	7
Tax System Analyst, Specialist	Elizabeth Chung	80	On Hold	
Driver	Eddie Taganap	506	423	83
Org. Development & Change Management Adv.	Vivien Supangco	100	94.49	5.50
<i>1.2.b Trade Facilitation, Audit and Risk Management Capacity of BOC Strengthened</i>				
BOC Task Manager	Ma. Fe Esperanza Madamba	528	324	204
Customs Institutional Expert	Alex Gaticales	132	100	32
Team Leader/Economist	Bienvenido Alano	132	114	18
Compliance Audit Specialist	Arthur Dizon	132	103	29
Process Engineer/System Integrator	Januario Aliwalas	272	203	69
Systems Analyst	Edmundo Guamen	272	197	75
HR Specialist	Myma Fillera	72	63.355	9
Skills Specialist	John Dowling	75	66.7	8
Datawarehouse Developer	Fernando Francisco	90	On Hold	
Trade Compliance Specialist	Joel Grefias	264	206	58
Organizational Assistant	Vincent Reyes	264	206	58



LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
1.2.c Tax Policy More Efficient and Equitable				
DOF Task Manager	Rowena Arceo	191	191.25	0
Senior Tax Lawyer	Florencia Flores	50	16.25	34
Senior Tax Lawyer	Mariano Ereso	50	17.62	32
1.2.d Local Government Financing Improved				
LGU Task Manager	Raymund Fabre	36	0	36
LG Finance Pol. Specialist/Team Coordinator	Raymund Fabre	66	57.13	9
Policy Outcome 1.3 Expenditure Management Strengthened				
1.3.a Bureaucracy More Efficient through Public Expenditure Management (PEM) Techniques and Reengineering				
Senior Strategy Advisor	Jacinto Gavino	152	34.38	118
Re-engineering Specialist	Tisha Borinaga	264	180	84
Financial Economist	Hector Florento	286	178	108
1.3.b Improved Management of Contingent Liabilities				
Policy Task Manager	Rowena Arceo	191	123.645	67
Financial Analyst I	Leo Xerxes Cimagala	264	162.5	102
Financial Analyst II	Vina Arenal	264	172	92
Documentation Assistant	Manolo Santos	264	183	81
Administrative Officer	Josefina Lim	520	453.5	67
1.3.c Investment Incentives More Transparent				
Policy Task Manager	Rowena Arceo	114	62.3	52
Policy Outcome 1.4 Government Procurement Made Transparent and Efficient				
1.4.a GOP Procurement System More Efficient and Transparent				
Task Manager	Roderika Taduran	264	168	96
Administrative Officer	Flor Guce	444	524	-80
Project Driver	Larry Mabini	444	518.5	-75
Policy Outcome 1.5 Bank Secrecy Reduced and Banking Sector Better regulated				
1.5.a Money Laundering Reduced				
Bank Supervision Advisor	Francesca Baniqued	714	522	192
Task Manager	Isabelita Manglicmot	132	93	39
Legal Specialist	Joanne Chan	132	125.5	7
Civil Society Specialist	Marie Grace Faylona	198	196	2
IT/Systems Specialist	Delfin Benjamin Espejo	112	48	64

**LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003**

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
Administrative Officer	Maria Theresa Contreras	232	306	-74
Administrative Assistant	Marijoy Ponio	132	179	-47
Driver	Romulo Cababao	264	228	36
<i>1.5.b Bank Supervision Strengthened</i>				
Bank Supervision Advisor	Francesca Baniqued	231	46.75	184
Task Manager	Isabelita Manglicmot	132	122	10
Legal Specialist	Joanne Chan	132	59	73
Banking Advocacy Specialist	Marie Grace Faylona	132	108	24
Bank Policy Researcher	Arnel Almaden	396	320	76
Administrative Officer	Maria Theresa Contreras	233	225	8
Administrative Assistant	Marijoy Ponio	132	154	-22
<i>Policy Outcome 2.1 Competition Increase in Transportation Services</i>				
<i>2.1.a Increased Competition in Air Transport</i>				
Investment Policy Advisor	Jaime Faustino	143	95.99	46.8
Competition Policy Associate	Mary Grace Mirandilla	118	102.5	16
Driver	George Martin	264	246	18
<i>2.1.b. Increased Competition in Maritime Shipping</i>				
Investment Policy Advisor	Jaime Faustino	143	87.62	55.2
Competition Policy Associate	Mary Grace Mirandilla	118	56.5	62
Ports Policy Team Leader	Henry Basilio	204	204	0
RoRo Expert	Vicente Garrubito	130	105	25
Ports Policy Associate	Jennifer Llarena	264	249	15
<i>Policy Outcome 2.2. Competition Increased Information and Communication Technology</i>				
<i>2.2.a. Increased Competition in Telecommunication</i>				
Investment Policy Advisor	Jaime Faustino	143	88.74	54.1
Wholesale Regime Expert	David Dawson	100	34	17.5
Accounting Expert	Annie Mendoza	20	1	19
Competition Policy Associate	Mary Grace Mirandilla	118	59	59
Telecommunications Team Leader	Edmundo Ramires	264	56	208
Administrative Officer	Mary Grace Castelo	308	204	104

**LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003**

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
2.2.b.E-Commerce & Information and Communications Technology (ICT) Developed				
Investment Policy Advisor	Jaime Faustino	143	82.12	60.7
Competition Policy Associate	Mary Grace Mirandilla	118	68	50
ITECC Team Leader	Jose Maria Magalona	264	122	142
CMM Expert	Joselyn Capistrano	130	109	21
ITECC Team Leader	Jose Gerardo Alampay	264	205	59
Cybercrime Policy Analyst	Rudy Quimbo	96	60.75	35
Project Associate	Joel Umali	264	123	141
Policy Outcome 2.3 Trade and Agriculture Competition Increased				
2.3.a. Grain Markets More Efficient and Equitable				
Agriculture Policy Task Manager	Beulah dela Peña	528	363	165
Administrative Officer	Agline Bautista	528	313	215
Standards Expert	Sonia de Leon	88	21	67
Information System Design	Gerry Gazmen	70	39	31
Research Asst.	Farah Galvez	132	50	82
2.3.b. Biotechnology Exploited Safely				
Biotechnology Task Manager	Abraham Manalo	528	466	62
DNA Laboratory Training Specialist	Satamina Halos	73	24	49
IRM Specialist	Romeo Rejesus	36	27.5	9
Food & Med. Tech. Specialist	Nina Barzaga	66	27	39
Food & Industry Expert	Augusto de Leon	45	45	0
Legal Research Associate	Fe Guilatco	176	120	56
DNA Laboratory Assistant	Evangeline Aclan	132	70	62
2.3.c. Intellectual Property Rights Protected				
IPR Task Manager	Edith Joan Nacpil	407	272	135
Optical Disk and Legal Specialist (TL)	Numeriano Rodriguez	288	219.0925	69
IPR Research Associate	Sining Cuevas	264	226.25	38
Administrative Officer	Elsie Merina	264	141	123

**LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of September 2003**

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
Policy Outcome 2.4 Competition Policy Strengthened				
2.4.a Pro-Competition Policy Institutionalized				
Investment Policy Advisor	Jaime Faustino	143	69.61	73.2
Competition Policy Associate	Mary Grace Mirandilla	118	7	111
Senior Economist	Calixto Chimkiamco	96	47.63	48
Policy Analyst	Rodolfo Cruz	130	50.625	79
Legal Analyst	Paul Lentejas	130	57.75	72
Public Information Expert	Benny Gantioqui	130	73.62	56
Administrative Officer	Elizabeth Eizaguirre	260	102	158

SUMMARY for the Second Quarter 2003

Hired Expat on Board - 8

Hired STTA Technical Staff on Board - 43

Hired LTTA Technical Staff on Board - 37

Hired Administrative Staff on Board- 38

Total No. of Personnel on Board - 96

ANNEX 3

LIST OF AGILE-FUNDED TRAINING, SEMINARS AND WORKSHOPS

**PARTICIPANT TRAINING, SEMINAR-WORKSHOPS AND CONFERENCES FUNDED
FOR THE PERIOD
JULY - SEPTEMBER 2003 IN SUPPORT OF THE AGILE POLICY RESULTS**

POLICY RESULT	DATE	ACTIVITY	BENEFICIARY AGENCY/PARTICIPANTS	VENUE/COUNTRY
1.2.b	July 5, 2003	Conduct of Information Systems Plan (ISP) Workshop No. of Participants: 33 pax	Bureau of Customs	Pan Pacific Hotel, Manila
1.1.f	July 11, 2003	Exit Workshop and Graduation for National Capital Region Participants of the NLRC No. of Participants: 80 pax	National Labor Relations Commission (NLRC)	Holiday Inn, Galleria Suites Manila, Ortigas, Pasig City
2.2.b	July 21 – 25, 2003	Philippine Delegation to the Cybercrime Legislation and Enforcement Capacity Building Conference of Experts and Training Seminar No. of Participants: 3 pax Asst. Sec. Cecil Reyes, DOTC Atty. Claro Antonio Parlade, ITECC Mr. Albert de la Cruz, DND	Dept. of Transportation & Communication (DOTC), Dept. of National Defense (DND),	Bangkok, Thailand
2.2.b	July 2003 – September 2003	CMM Awareness Seminar and Trainings for CEOs and CIOs No. of Participants: 50 pax/site of training	Information Technology and Electronic Commerce Council (ITECC)	Makati City, Pasig City, Bacolod, Cebu, Cagayan de Oro, Davao
2.3.b	July 2003 - February 2004	Conduct of Molecular-Based Laboratory Capability Enhancement for the Department of Agriculture Regulatory Agencies No. of Participants: 35 pax/site of training	Bureau of Plant Industry (BPI), Bureau of Animal Industry (BAI), National Meat Inspection Center (NMIC), & the Bureau of Food and Drugs (BFAD)	Quezon City, Alabang, Nueva Ecija, & Los Baños, Laguna
2.2.b	August 1, 2003	Consultative Seminar Workshop on Institutional Reform for the ICT Sector No. of Participants: 60 pax	Information Technology and Electronic Commerce Council (ITECC)	Hyatt Hotel, Pasay City

POLICY RESULT	DATE	ACTIVITY	BENEFICIARY AGENCY/PARTICIPANTS	VENUE/COUNTRY
1.1.g	August 18, 2003	Institutionalizing the Inter-Agency Anti-Graft Coordinating Council (IAAGCC) through a Skills Building Program: A Seminar with Prof. Robert Klitgaard on Making Anti-Corruption Agencies More Effective No. of Participants: 50 pax	Civil Service Commission, Office of the Ombudsman, Commission on Audit, Dept. of Justice, National Bureau of Investigation and Presidential Anti-Graft Commission.	CSC Executive Conference Room, Quezon City
1.1.g	August 24 – 27, 2003	Series of Seminar and High-Level Meetings with Anti-Corruption Specialist Mr. Tony Kwok in Making Anti-Corruption Agencies and Activities More Effective No. of Participants: 40 pax	Civil Service Commission, Office of the Ombudsman, Commission on Audit, Dept. of Justice, National Bureau of Investigation and Presidential Anti-Graft Commission.	Oakwood Premier Ayala Center, Makati City
2.3.b	August 26 – 29, 2003	Conference-Workshop on Bioscience and Biotechnology: Science and the Law No. of Participants: 35 pax	Philippine Judicial Academy of the Philippines (PHILJA)	Ridge Resort, Tagaytay City
1.5.a	August 29, 2003	Conduct of an Anti-Money Laundering Workshop No. of Participants: 80 pax	Bangko Sentral ng Pilipinas (BSP)	BSP Conference Room, Manila
2.1.d	September 15 – 24, 2003	Conduct of Philippine Regional Consultative Workshops on Responsible Mining and Conference No. of Participants: 100 pax	Dept. of Environment and Natural Resources (DENR), Mines and Geosciences Bureau (MGB)	Baguio City, Cebu City, Surigao City
1.5.b	September 21 – 27, 2003	Participation of 2 BSP Officials to the "6-Day Residential Securitization School" No. of Participants: 2 pax Ms. Teodora I. San Pedro Mr. Jermy Y. Prenio	Bangko Sentral ng Pilipinas (BSP)	Calcutta, India
1.2.b	September 24, 2003	Workshop for the Description of Goods No. of Participants: 100 pax	Bureau of Customs (BOC)	BOC Conference Room, Manila
1.1.e	September 26, 2003	Conduct of Roundtable Discussion on the Proposed Rules of Liquidation No. of Participants: 26 pax	Philippine Judicial Academy (PHILJA)	The Pearl Manila Hotel, Manila
1.1.g	September 29 – November 7, 2003	Building Anti-Corruption Skills to Make Accountability Agencies More Effective: Training Select Officials in Anti-Corruption in Hong Kong University No. of Participants: 7 pax	Office of the Ombudsman, Civil Service Commission (CSC), Commission on Audit (COA), Dept. of Finance (DOF), Dept. of Justice (DOJ), Presidential Anti-Graft Commission (PAGC), Office of the Chief of Staff of	Hong Kong

POLICY RESULT	DATE	ACTIVITY	BENEFICIARY AGENCY/PARTICIPANTS	VENUE/COUNTRY
		Atty. Mark E. Jalandoni, DOJ Maj. Neptali Yordan, DOF Atty. Khem Inok, COA Atty. Raquel Buensalida, CSC Asec. Nicasio Conti, Off. Of the Presidential Chief-of-Staff Atty. Imelda Dangoy, PAGC Atty. Mary Susan Guillermo, Office of the Ombudsman	the President	

* Participants list is shown in the attachment.

**WORKSHOP FOR THE DESCRIPTION OF GOODS
SEPTEMBER 24, 2003**

List of Participants

Steering Committee Members:

Dir. Geluz, Chairman (PSDS, MISTG)
Atty Priscila Bauzon, Deputy Collector for Assessment, POM
Atty. Adelina Molina, Deputy Collector for Operations, POM
Atty. Remedios Espinosa, Special Deputy Collector, Cargohaus, NAIA
Atty. Arefiles Carreon, Deputy Collector, Passenger Service, NAIA
Mr. Ricardo Belmonte, Deputy Collector for Assessment, NAIA
Atty. Talek Pablo, Special Assistant, OCOM
Atty Rolando Ligon, Special Assistant, OCOM
Atty. James Enriquez, Chief of Staff, ODC, POM
Ms. Lilian Viado, Chief, FED, POM
Ms. Lolita Bringas, Chief, FED, MICP
Ms. Josephine Nagallo, Chief, Systems Development Division, MISTG

Technical Working Groups:

- Section 1: Ester Tan - (Team Leader) PCE, POM; Manuel Algerre PCA, MICP; Emelita Morales, COO III, POM
- Section 2: Jose Petroche (Team Leader) COO III, POM; Maxima Quinto, COO III, MICP;
Stanley Villavicencio, VCD
- Section 4: Jesus Ariola (Team Leader) COO III MICP; Eduardo Colico, COO III POM;
Leonardo de la Pena, COOIII, MICP
- Section 5: Rizalina Toralbo (Team Leader) COOIII, MICP; Marietta Lasac, COOIII, POM;
Oscar Balicanta, COO III MICP
- Section 6: Alex Alano (Team Leader) PCA, MICP; Ernesto del Rosario, PCE, POM; Glenda Cacho, COO III, MICP
- Section 7: Maurito Salvanera (Team Leader) PCA MICP; Cristina Mendoza VCD; Jess Florendo COO III, POM;
- Section 8: Demosthenes Arabaca (Team Leader) PCA, MICP; Nancy Arsolacia COO III POM;
Aida Parilla COO III MICP
- Section 9: Cefia Ducut (Team Leader) PCE, POM; Jose Aquino Principal Valuation Officer;
Rolando Ibarra COO III, POM
- Section 10: Helen Grace Balite (Team Leader) PCE, MICP; Recafior de Leon COO III, POM;
Willette Clavo, COO III, MICP
- Section 11: Lilian Gaviola, (Team Leader) PCA, MICP; Mercedes Medina Principal Valuation Officer, NAIA; Virginia Bautista Chief, PCL
- Section 12: Gloria Malabanan (Team Leader) PCE, POM; Napoleon Abitona COO III, MICP; Evelyn Rivera COO III, MICP

- Section 13: Emelia Cervantes, (Team Leader) PCA, MICP; Aida Gonzales, PCA, MICP;
Danny del Rosario, COO III, POM
- Section 14: Anthony Marquez (Team Leader) PCA, MICP; Justino Nanao COO III, POM;
Joselyn Obsum COO III, MICP
- Section 15: Imelda Comon (Team Leader) PCE, MICP; Giovanni Imaysay COO III, POM; Leah Cabigas, COO III, POM

Reviewers/Cluster Heads:

Lolita Bringas - Chief, FED, MICP
Lilian Viado Chief, FED, POM
Heidi Doctor - COAC, MICP
Olivia Viaga COO IV, MICP
Ricardo Belmonte - Deputy Collector for Assessment, NAIA
Judith Barrameda - Assessor, LBD, MICP
Mel Pascual, Assistant Chief, FED, POM.

LIST OF PARTICIPANTS MGB REGIONAL MINIG WORKSHOPS					
MGB REGIONAL OFFICE CAR	23				14
STAKEHOLDER GROUP/NAME	CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	USAID-funded	
CHURCH				transport, hotel, packed meals	
1. Fr. Luenzo A. Abeba	443 8004	Director			
2. Martes Pinmillw	300 2803	Pastor/Church			
NGO				transport, hotel, packed meals	
3. Atty Gene Mislang		Tanggap Kalkasan			
4. Catalino Corpuz		Tebtebba Foundation			
5. Valentin Dimoc		SADC MT			
6. Julie C. Cabato		Secretary/BRM			
MEDIA				hotel (except dinner), packed meals	
7. Willy Cacdac		Manila Times			
8. Cheryl Cruz		Reporter, Sun Star Baguio			
9. Andre Amadeo	442 3022	Assistant Manager/DZEQ Radyo ng Bayan	Polo Field, Baguio City		
10. Vincent Cabreza		Phil. Daily Inquirer			
ACADEME				transport, hotel, packed meals	
11. Rose D. Yabes	442 7231	UP-Baguio, Teacher	Gov.Pack Rd. Baguio		
12. Renato Tandoc		Dean/UB			
LGU				transport, hotel, packed meals	
13. Agaton Bolisila		Office Of the Congressman, Benguet Province			
14. Dindo Lumbas		Office of the Benguet Provincial Governor	La Trinidad, Benguet		
7	9192972038	Barangay Captain, LGU Tuba	Camp 3, Tuba, Benguet		
GO				transport, hotel, packed meals	
18. Leon Dacanay		Asst. Director/NEDA	Pacdal, B.C.		
17. Nathan Alcantara		Info Officer III/PIA-Baguio			
18. Lelene C. Gallardo		Regional Dir./NCIP-CAR			
Mining Company				hotel (except dinner), packed meals	
19. Lomino Kanitang		President/FSSMP	Ucab, Itogon		
20. Calixto Catbagan, Jr.		Resident Manager-Abra Mining			
21. Midge de Leon	447 2611	Admin Manager, Benguet Corp.			
22. Salvador Bannawl		PHILEX			
23. Ramon P. Lee	452 8085	Env't Supt., LCMC			

MGB REGIONAL OFFICE I					
	19				
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	
CHURCH					transport, hotel, packed meals
1. Fr. Noel Peter S. Lazo		917-3595289/npsl@927@yahoo.com	Parish Priest/St. Joseph the Worker Parish Church	Quirino, Bacnotan, La Union	
2. Moises C. Alamay			Pastor/Wesleyan Church	Naguilian, La Union	
NGO					transport, hotel, packed meals
3. Lydia Colobong		917-3593795	Vice-President/ACCESS	Agno, Pangasinan	
4. Benilda E. Indasen		0917-5641475	President-PICHE La Union Chapter	La Union	
5. Faith Perfecto			Directress/Lorma Community Devt. Foundation		
IP					
6. Inocencio G.Carganilla			Tribal Chieftain/PAWF Tribal Federation	Labayug, Sison, Pangasinan	
MEDIA					hotel (except dinner), packed meals
7. Henry Lagasca		242-4922	Information Officer II/PIA		
ACADEME					transport, hotel, packed meals
8. Nemesio Villamil		917-2793710	Professor/Saint Louis College	Sn Fernando City, La Union	
9. Samuel S. Franco		792-3314/asfranco@digitelone.com	Asst. Professor/MMSU	Batac, Ilocos Norte	
LGU					transport, hotel, packed meals
10. Nestor Batalla		542-4457	OIC-ENRO	Lingayen, Pangasinan	
11. Ariel de Guzman		542-6173	Board Member	Pangasinan	
12. Mojamito Libunao, Jr.		9175082248	Municipal Mayor	Municipal Mayor, San Fabian, Pangasinan	
GO					transport, hotel, packed meals
13. Leonardo N. Quitos, Jr.		072-8885501 Fax # 0728882708	Regional Director, NEDA	San Fernando City, La Union	
14. Gil C. Fernandez		072-2424864	Sr. Trade Industry Dev. Specialist, DTI	3/F Juanita Comm'l Bldg., Quezon Ave., San Fernando City	
15. Federico Sabado		242-6202	Supv. EMS, PAWMS, DENR-1		

Mining Industry				Sn Fernando City, La Union	hotel (except dinner), packed meals
16. Ernesto de Vera		075-5435088/09179955259	Small Scale Mining Rep., PMRB of Pangasinan	105 Manat, Binmaley, Pangasinan	
17. Bobby R. Garza		888-4252 / www.unioncement.com	Quarry Manager/Union Cement Corp.	Bacnotan, La Union	
18. Serafin delos Angeles		888-4252/www.unioncement.com	CRO/Union Cement Corp.		
19. Tommy T. Valdez		565-2320	Environmental Manager/SRPC	Quirino, Bacnotan, La Union	
MGB REGIONAL OFFICE II	9				
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	
CHURCH					transport, hotel, packed meals
1. Most Reverend Ramon Villena, D.D.			Diocese of Bayombong		
LGU					
2. Hon. Rodolfo Q. Agbayani			Governor/Nueva Vizcaya		
3. Hon. Romeo Tayaban			Mayor/Kasibu, Nueva Vizcaya		
4. Antonio Dincog			Bgy. Capt. Didipio, Kasibo		
GO					transport, hotel, packed meals
5. Ms. Perla A. Visorro			President/Cagayan Valley Program Environment Development		
6. Mr. Jaime Y. Tabbu			PCCI R2, EDC Co. Chair		
7. Mr. Satur Bugnay			Regional Director/NCIP RO2		
8. Mr. Gregorio Singgangan			Provincial Head/NCIP-Nueva Vizcaya		
9. Milagros A. Rimando			NEDA-R2		
MGB REGIONAL OFFICE NO. III	13				
STAKEHOLDER GROUP/NAME		CONTACT	POSITION/ORGANIZATION	ADDRESS	
CHURCH					transport, hotel, packed meals
1. Bishop Florentino Cenese			San Sebastian Cathedral	Tarlac City, Tarlac	

NGO					transport, hotel, packed meals	
2. Emetria S. Rivera			Convenor/Multi-Sectoral Action Group of Aurora	c/o BATARIS Formation Center, Baler, Aurora		
3. Galla Ramos			Social Action Center of Pampanga			
LGU					transport, hotel, packed meals	
4. Cesar Estrada			ENRO	Capitol Bldg., Iba, Zambales		
5. Ricardo Medina Jr.			ENRO	Capitol Bldg., Malolos, Bulacan		
6. Regie Vitug			ENRO	Capitol Cmpd., San Fernando City, Pampanga		
7. Hermito Loreto			ENRO	Capitol Bldg., Balanga, Bataan		
GO					transport, hotel, packed meals	
8. Marilou P. Avenido			Chief,EIA Division/EMB3	San Fernando City, Pampanga		
Mining Industry					hotel (except dinner), packed meals	
9. Isabelo Velez			Resident Manager/Benguet Corp.-Masinloc Chromite Operation	Coto, Masinloc, Zambales		
10. Jun de Leoz			Pollution Control Officer/UCC	Matictic, Norzagaray Bulacan		
11. Noel Manuzon			Republic Cement Corp.	Minuyan, Norzagaray, Bulacan		
12. Mark Anthony Bernal			Quarry Superintendent/Luzon Continental Land Corp.	Bigti, Norzagaray, Bulacan		
13. Elvira G. Sumadchat				c/o Gozun Engineering Works San Nicolas, San Fernando City, Pampanga		
MGB REGIONAL OFFICE NO. IV	25					19
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS		
CHURCH					transport, hotel, packed meals	

1. Sis. Roselle Enriques					
2. Fr. Leo Schmitt		697-5582/630-2368			
NGO					transport, hotel, packed meals
3. Ms. Evelyn Cacha			ALAMIN		
4. Mr. Boy Magallanes		433-4948	HARIBON		
5. Mr. Victor Rodriguez			Marinducare		
6. Mr. Renato Magno		651-3068	Green Movement of Angono		
7. Atty. Raymond Sala			ELAC		
8. Mr. Danding Pailo		817-6191	UP-NIGS		
9. Mr. Mario Haba			Kabilugan nag mga Mangyans		
ACADEME					transport, hotel, packed meals
10. Mr. Vic Maglambayan		828-0678			
PO					transport, hotel, packed meals
11. Mr. Ruby Obial					
LGU					transport, hotel, packed meals
12. Melvin Lalican			Prov. Govt.-Laguna		
13. Atty. Torres			Prov. Govt.-Rizal		
14. Helen Gonzales			Prov. Govt.-Quezon		
15. Godofredo Flores			Prov. Govt.-Cavite		
16. Othelo G. Cangson			Prov. Govt.-Rombion		
17. Representative			Prov. Govt.-Marinduque		
18. Representative			Prov. Govt.-Occ. Mindoro		
GO					transport, hotel, packed meals
19. Presella Planas					
Mining Industry					hotel (except dinner), packed meals
20. Mr. Jose Saret			Rio Tuba Nickel Mining Corp.		
21. Mr. Ralph Ante		525-8188/651-1188	Marcopper Mining Corp.		
22. Mr. Andres Torres		631-8078	Crew Minerals Phil. Inc.		
23. Mr. Rafael Tantuco		819-5508	Sariaya Rizal Miners Assn.		
24. Mr. Patrick Caolle			Vulcan Mining Corp.		
25. Mr. Ernesto Rodriguez			Eastern Rizal Miners Assn.		
MGB REGIONAL OFFICE NO. V STAKEHOLDER GROUP/NAME	11	CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	6
NGO					transport, hotel, packed meals
1. Representative			Sagip-Isla, Sagip-Kapwa, Inc.		
			Kapisanan nag mga Kaibigan nag Kapalligiran, Kagubatan at Karagatan, Inc.		
2. Representative					

3. Representative			Bicol Agricultural and Rural Devt. Center, Inc.			
LGU						transport, hotel, packed meals
4. Representative			Prov. Govt.- Albay			
5. Representative			Prov. Govt.- Camarines Norte			
6. Representative			Prov. Govt.- Masbate			
Mining Industry						hotel (except dinner), packed meals
7. Representative			Ibalong Resources and Devt. Corp.			
8. Representative			United Paragon Mining Corp.			
9. Representative			Lafayette (Phils), Inc.			
10. Representative			Small-Scale Miner-Camarines Norte			
11. Representative			Small-Scale Processor-Masbate			
MGB REGIONAL OFFICE NO. VI	34					26
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS		
CHURCH						transport, hotel, packed meals
1. Fr. Meliton Oso			Representative/Social Action Center Jaro	Iloilo City		
NGO						transport, hotel, packed meals
2. Melvin Porsuelo			Exec. Director/Green Forum-WV	Iloilo city		
3. Jose Benedict Velasco			Representative/Binhi Sang Kauswagan Foundation	Negros Occidental		
4. Raymund Mederes			SecGen/SANLAKAS, Iloilo	Iloilo City		
5. Wilfrido Homicillada			Exec Director, PROCESS-Panay Foundation Inc,	Iloilo City		
6. Andres Tiongco			Exec. Director/Panay Rural Dev't. Center	Iloilo City		
7. Eva de la Merced			Exec. Dir./Broad Initiative for Negros Development	Negros Occidental		
8. Rose Depra			Exec. Director, Negros Econ. Dev. Foundation	Negros Occidental		
9. Rafael Cosculluela			Exec. Dir./ESKAN	Negros Occidental		
10. Leoncio Jamora			Exec. Director/Negros Forest Ecological Dev't. Foundation	Negros Occidental		
11. Dr. Jessica Salas			Exec. Director/Kahublagan sang Panimalay	Iloilo City		
			CO/Livelihood Officer/Phil. Endemic Species Conservation Project	Negros Occidental		
12. Rey S. Elio						
ACADEME						transport, hotel, packed meals

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13. Engr. Aurora A. Lim			Asst. to the President/Central Philippine University			
14. Lolita Lotilla			Faculty/St. Anthony's College	Antique		
15. Ma. Eugenia Capaciete			Dean/WVCST-LNCA Leon			
16. Dr. Mervin Misajon			Faculty/UP Visayas			
LGU						transport, hotel, packed meals
17. Hon. Vicente Bermejo			Governor	Province of Capiz		
18. Renerio Pimentel			Mayor	Cuartero, Capiz		
19. Gladys Garcia			Mayor	Nabas, Aklan		
20. Hon. Joseph Maranon			Governor	Negros occidental		
21. Gov. Zaldivar Perez			Governor	Antique		
22. Concepcion Labindao			Mayor	Buruanga, Aklan		
23. Raul Banlas			Mayor	Concepcion, Iloilo		
24. Aida Gumboc			Brgy. Captain	Brgy. San Roque, Libertad, Antique		
25. Mary Jean Te			Mayor	Libertad, Antique		
26. Hon. Oscar Montilla.			Mayor	Sipalay City, Neg.		
MINING INDUSTRY						hotel (except dinner), packed meals
27. Josellito Lua			President/Kimwa Const. Development Corp.			
28. Arthur Golez			General Manager/Krushrock Corp.			
29. Florencio M. Morente			President/Capiz Permittees Assn.			
30. Nestor Domingo			President/Tudor Mineral Exploration Corp.			
31. Eduardito Campos						
32. Leonardo Naldoza			President/Iloilo Quarry Permittees Assn.			
33. Johann Ken Juguan			Representative/Aklan Permittees Assn.			
34. Analza Gabo			Representative/Guimaras Permittees Assn.			
MGB REGIONAL OFFICE NO. VII	33					
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS		23
NGO						transport, hotel, packed meals
1. Renato Abella			Cebu Resources Mgmt. Office, Inc.	Nivel Hills, Busay, Lahug, Cebu City		
2. Zosimo Labaco			Benweg Development Foundation, Inc.	Ayungon, Negros Oriental		

3. Dr. Victoria Amante			Toledo Environmental Assn., Inc.	Toledo City		
4. Zusimo Pupos			Exec. Director/Cebu Uniting for Sustainable Water	Cebu City		
5. Atty. Jose andres Canivel			Exec. Director, ELAC			
ACADEME					transport, hotel, packed meals	
6. Osita Catipay			Head-Mining Engineering/Cebu Institute of Technology	Cebu City		
7. Engr. Benedicto Banquill			Head-Environmental Engineering/Univ. of San Jose Recoletos	Cebu City		
8. Emma Mente			Chairperson-MEM/Univ. of Southern Philippines	Cebu City		
LGU					transport, hotel, packed meals	
9. Ferdinand Chiong			Mayor	Naga, Cebu		
10. Antonio Canoy			Mayor	San Fernando, Cebu		
11. Nicomedes de los Santos			Mayor	Alcoy, Cebu		
12. Ariene Zambo			Mayor			
13. Eduardo Gullas			Mayor	Toledo City, Cebu		
14. Myrna Scheurs			Mayor	Garcia-Hernandez, Bohol		
15. Alex Binghay			Mayor	Balamban, Cebu		
16. Orville Fua			Mayor	Lazi, Siquijor		
17. Renato Villaber			BEMO Head	Bohol		
18. Glenn Baricuatro			PENRO	Capitol-Cebu		
19. Erwin Vergara			Prov. Attorney	Negros Oriental		
20. Jemrin Pal-ing			Prov. Legal Office Staff	Siquijor		
GO					transport, hotel, packed meals	
21. Asteria Caberte			Director/DT17	Cebu City		
22. Romeo Escandor			Director/NEDA7	Cebu City		
23. Crescencio Rocamora			OIC-Exec. Director/Atlas Commission			
MINING INDUSTRY					hotel (except dinner), packed meals	
24. Rodrigo Cal			Atlas Consolidated Mining & Dev't. Corp.	DAS, Toledo City		
25. Ariel B. Mendoza			APO Cement Corp.	Naga, Cebu		
26. Toshio Kumatso			Taiheyo Cement Phil., Inc.	San Fernando, Cebu		
27. Victor Bantol			Phil. Mining Services Corp.	Alcoy, Cebu		
28. Candice Jenina Regner-Neri			JLR Const. & Aggregates Inc.	Cebu City		
29. Vicente Jaime			ANSECA	Cebu City		
30. Atty. Angelito Dizon			Lazi Bay Resources Dev't., Inc.	Lazi, Siquijor		
31. Yukiya Kuroda			Solid Earth Dev't. Corp.	Cebu City		
32. Antonio Atamosa			Lloyds Richfield Ind. Corp.	Danao City		

OTHER INDUSTRY					hotel (except dinner), packed meals	
33. Carlos Go			President/Cebu Chamber of Commerce & Industry	Cebu City		
MGB REGIONAL OFFICE NO. VIII	30					20
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS		
CHURCH						
1 Bishop Leonardo Y. Medroso			Bishop	Diocese of Borongan, Borongan, Eastern Samar		
2. Rev. Fr. Manuel			Parish Priest	Homonhon Is., Guluan, Eastern Samar		
3. Most Rev. Pedro			Archbishop	Palo, Leyte		
4. Bishop Angel Nobayan			Bishop	Northern Samar Diocese, Catarman, Northern Samar		
5. Bishop Jose Palma			Bishop	Calbayog Diocese, Calbayog City		
NGO						
6. Bernardino A. Abrigo, Sr.			President	Southern Samar, Ecological Protection & Livelihood Foundation, Guluan, Eastern Samar		
7. Aniceto Cabrerros, Sr.			President	TPECM_PDAI, Taft Eastern Samar		
8. Leonardo Sison				Tandaya, Catbalogan, Samar		
9. Margie dela Cruz				Guluan Development Foundation, Guluan, Eastern Samar		
10. Alfredo Maray			Vice Chairman	Economic Development Committee, NEDA R8, Candahug, Palo, Leyte		
MEDIA						
11. Fred Padernos				Radio Diwa, Tacloban City		

12. Joey Gabieta				Leyte-Samar Daily Express, P.Zamora St., Tacloban City	
13. Jack Gadaingan			Manila Bulletin Correspondent	Tacloban City	
14. Ronnie Roa			Reporter	DYVL Tacloban City	
15. Ad Roel Alcober				ABS-CBN Tacloban City	
LGU					
16. Hon. Ernesto Arcales			Vice Governor	Province of Western Samar, Catbalogan, Western Samar	
17. Hon. Karen Alvarez			Chairman, Committee on Environment	SP Borongan Eastern Samar	
18. Hon Melchor F. Nacario			Municipal Mayor	Calbiga, Western Samar	
19. Hon. Jesus Redaja			Municipal Mayor	Catbalogan, W. Samar	
20. Hon.Mel Senen Sarmiento			City Mayor	Calbayog City, W. Samar	
GO					
21. Meylene C. Rosales				NEDA R8, Palo, Leyte	
22. Evangeline M. Paran			Regional Head	National Statistics & Coordinating Board, R8 Tacloban City	
23. Cynthia Y. Nieras			Regional Director	DTI, R8 Tacloban City	
24. Atty. Buenaventura Go-Soco, Jr.			Regional Director	NEDA R8, Palo, Leyte	
25. Karen S. Tiopes			Regional Director	PIA, R8 Tacloban City	
MINING INDUSTRY					
26. Engr. Federico Ganigan			Hinatuan Mining Corp.		
27. Engr. Cornelio Q. Casido			Heritage Resources and Mining Corp		
28. Benjamin T. Guingona			Bauxite Resources, Inc.		
29. Engr. Neone Asilom				SMC, Sogod, So.Leyte	
30. Jose Serafica				Real St., Ormoc City	
MGB REGIONAL OFFICE NO. IX					
		16			
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	
CHURCH					
1. Bishop Manguiran			Bishop	Bishop Palace, Sicayab, Dipolog City	
NGO					
2. Maruela Pateno			TUPUSUMI	Midsalip, Zamboanga del Sur	

3. Rudy Arpon			Social Action Center	Bishop Residence, Balangasan District, Pagadian City		
4. Celestino V. Tano			DCMI	Bishop Palace, Sicayab, Dipolog City		
5. Tito N. Fiel			DCMI	Bishop Palace, Sicayab, Dipolog City		
6. Edwin L. Taripe			Earth Links c/o Social Action Center Diocese of Pagadian	Bishop Cmpd., Balangasan District, Pagadian City		
7. Tita Adap			KKNM-GSM	Guipos, San Miguel, Zamboanga del Sur		
IP						
8. Jose Boy Anoy			Council of Elders	Canatuan, Slocon, Zamboanga del Norte		
9. Onsino Mato			CADC Holder	Canatuan, Slocon, Zamboanga del Norte		
GO						
10. Alfredo C. Troncales			PNOG Energy Dev't. Corp.	PNOG Energy Companies Bldg., Merritt Rd., Fort		
LGU						
11. Eugenio Famor			Vice Governor-Zam. Sibugay	Buug, Zamboanga Sibugay		
MINING INDUSTRY						
12. Dominico E. Pastoriza			MPSA Contractor/TVI Resource Dev't. Phils. Inc.	W1903 B West Tower, PSC Center, Ortigas Center, Pasig		
13. Engr. Pete R. Remoto			MPSA Contractor/Philex Gold Phils. Inc.	Sibutad, Zamboanga del Norte		
14. Engr. Dalhan Graciano			Zamboanga Minerals Corporation	013 B. Gulwan Highway, Gulwan, Zamboanga City		
15. Engr. Crescente Y. Llorente			Villor Mining Corporation	Poblacion Sindangan, Zamboanga del Norte		
16. Glicerio C. Pescador			A-Dynasty Multi-Purpose Coop.	0128 Tuburan District, Pagadian City		
MGB REGIONAL OFFICE NO. X		19				

STAKEHOLDER GROUP/NAME	CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS
CHURCH			
1. Fr. Rey Monsanto		Monsignor	
2. Fr. Arnold Ranque		Parish Priest, St Joseph Parish	
NGO			
3. Arturo Allera		Tree Inc.	
4. Ronilo B. Baculio		CORE, Inc.	
5. Sundilyn B. Bedro		Social Action Center	
6. Modesto C. Babaylan		Safer River, Life Saver Foundation	
7. Carl Cesar C. Rebuta		Legal Rights & Natural Resources Center	
Academe			
8. Brigida A. Roscom		MSU-IIT Iligan	
9. Agnes Maingat-Clerigo		Academe	
LGU			
10. Roderico Dumaug Jr.		LGU-Kiwalan	
11. Alona V. Padecio		LGU-Valencia	
12. Gov. Pedro Romualdo		LGU-Iligan City	
GO			
13. Dennis Leopoldo		ENRO, Misamis Occidental	
14. Mitocur Macabando		OMA-CDO/Office of Muslim Affairs	
15. Rommel Jardinaso		NCIP, CDO	
Mining Industry			
16. Medel Jose Bagabuyo		Iligan Cement Corp.	
17. Julius Baliog		Union Cement, Lugait	
18. Emma T. Casino		Industrial Sand and Gravel	
19. Alfredo Echavez		Iligan Quarry Concessionnaires and Operators Asso.	
MGB REGIONAL OFFICE NO. XI			
	20		
STAKEHOLDER GROUP/NAME	CONTACT	POSITION/ORGANIZATION	ADDRESS
NGO			
1. Gregoria Laygan		Coalition Against Pollution	USP, Tagum City
2. Roberta Cabasarez		Exec. Dir.-Kinaiyahan Found.	
3. Pascual Cabatingan			Dauan, Mati, Davao Oriental

4. Imy dela Cruz			Kaginhawahan Devt. Found., Inc.		
5. Mario Talja			LRC-KSK Davao City		
LGU					
6. Ma Elena Palma Gil			Gov. Davao Oriental		
7. Jose Caballero			Gov. COMVAL	Boston, Davo Oriental	
8. Benjamin Bautista, Jr.			Gov. Davao del Sur		
9. Rodolfo del Rosario			Gov. Davao del Norte		
10. Franco Tito			Bgy. Captain, Diwalwal		
IP					
11. Datu Rosalino Adresan			Chairman, Council for Elders- Unified Mandaya Council, Monkayo		
12. Eleuterio Manaytay			Municipal Tribal Chieftain- Mandaya Tribal Council		
PO					
13. Roberto Buniales			President, Mindanao Federation of SSM		
14. Ricky Manrique			Pres.-Federation of Miners Aggrupation		
GO					
15. Atty. Roque Agton, Jr. Mining Industry			NCIP, Regional Director		
16. Brett Taylor			Philco Mining Corp.		
17. Benedicto Jalandon			Apex Mining Company		
18. Ben Pablo			SMGMC-Davao		
19. Edgar Martinez			Blue Ridge Minerals		
20. Randolph Cadiogan			President, MAEM		
MGB REGIONAL OFFICE NO. XII STAKEHOLDER GROUP/NAME	12	CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	
LGU					
1. Hon. Daisy Avance Fuentes			Governor	Province of South Cotabato	
2			SP Member	South Cotabato	
3. Hon. Immanuel Pinol			Governor	Province of North Cotabato	
4. Hon. Datu Pax Mangudadatu			Governor	Province of Sultan Kudarat	
5. Hon. Claudius Barroso			Mayor	Tampakan, South Cotabato	

6. Hon. Miguel Escobar			Governor	Province of Sarangani	
GO					
7. Representative			Regional Director	NCIP 12, Midsayap, North Cotabato	
CHURCH					
8. Fr. Ricky Legario			Parish Priest	Tampakan, South Cotabato	
ACADEME					
9. Fr. Crispin Belita, FMS			President	Notre Dame of Marbel University, Koronadal, South Cotabato	
MEDIA					
10. Fr. Leo Acierto			President	Print & Media Broadcast, R12 General Santos City	
NGO					
MINING INDUSTRY					
11. Representative			President	Tampakan Mineral Resources corp., General Santos city	
			President	SAG Association, South Cotabato	
12. Moises Hollite					
MGB REGIONAL OFFICE NO. XIII	31				
STAKEHOLDER GROUP/NAME		CONTACT NUMBER	POSITION/ORGANIZATION	ADDRESS	
CHURCH					
1. Fr. Prescilo P. Iral			Director, Diocese & Apostolate		
2. Rev. Jovinal Bagnol			UCCP		
3. Rev. Nereo P. Odchimar			Bishop, Tandag, Surigao del Sur		
4. Rev. Nicolas Penados			Claver, Surigao del Norte		
5. Fr. Ramon Alaan			Mainit, Surigao del Norte		
NGO					
6. Honorina Aloyon			Chairwoman, NAKASAMA		
7. Arceli Napaian			REACH Foundation		
8. Modesto Obrenillo			PCMC		
9. Dante Tado			TEACH		
MEDIA					
10. Bienvenido Galeon			Station Manager, RPN-DXKS	Capitol Road, Surigao City	
11. Daniel Ieno			Bureau Editor, Gold Star Daily	San Juan, Surigao City	
LGU					
12. Donald P. Villejo, Sr.			Mayor-Placer, Suriago del Norte		
13. Eddie Gokiangkee			Mayor-Claver, Suriago del Norte		