

**QUARTERLY
PERFORMANCE
MONITORING
REPORT**

JANUARY TO MARCH 2004

April 30, 2004

EGTA
ECONOMIC GOVERNANCE TECHNICAL ASSISTANCE

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A Consortium of: **Development Alternatives, Inc.**
Cesar Virata & Associates, Inc.
IBM Business Consulting Services

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ABBREVIATIONS AND ACRONYMS

1Q2004	-	1 st Quarter of 2004
AMLA	-	Anti-Money Laundering Act
AMLC	-	Anti-Money Laundering Council
BAC	-	Bids and Awards Committee
BFAD	-	Bureau of Food and Drugs
BOC	-	Bureau of Customs
BPI	-	Bureau of Plant Industry
BSP	-	Bangko Sentral ng Pilipinas
CA	-	Court of Appeals
CCAD	-	Common Carriers Authorization Division
CFM	-	CaseFlow Management
CICT	-	Commission on Information and Communications Technology
CITEM	-	Center for International Trade Expositions and Missions
CMM	-	Capability Maturity Model
COA	-	Commission on Audit
CSC	-	Civil Service Commission
CVAI	-	Cesar Virata & Associates, Inc.
DA	-	Department of Agriculture
DAI	-	Development Alternatives, Inc.
DAP	-	Development Academy of the Philippines
DBM	-	Department of Budget and Management
DepEd	-	Department of Education
DHS	-	Department for Homeland Security
DOH	-	Department of Health
DOJ	-	Department of Justice
DOST	-	Department of Science and Technology
DOTC	-	Department of Transportation and Communication
EGTA	-	Economic Governance Technical Assistance
FATF	-	Financial Action Task Force
FBO	-	Foreign Banking Organizations
FIST	-	Financial Investigation Skills Training
FSVC	-	Financial Service Volunteer Corps
GMOs	-	Genetically Modified Organisms
GPPB	-	Government Procurement and Policy Board
GPRA	-	General Procurement Reform Act
HIID	-	Harvard Institute for International Development
IAAGCC	-	Inter-Agency Anti-Graft Coordinating Council
IBSI	-	Interlink Business Solutions, Inc.
IBL	-	International Business Linkage
IBMB	-	Institute of Biotechnology and Molecular Biology
ICAC-HK	-	Independent Commission against Corruption of Hong Kong
ICT	-	Information and Communications Technology
IDA	-	Integrity Development Assessment

IDR	-	Integrity Development Review
IRM	-	Insect Resistance Management
IRR	-	Implementing Rules and Regulations
IRRI	-	International Rice Research Institute
IPO	-	Intellectual Property Office
IPR	-	Intellectual Property Rights
ISP	-	Information Systems Plan
ITECC	-	Information Technology and Electronic Commerce Council
MC	-	Memorandum Circular
MIS	-	Management Information System
MISO	-	Management Information Systems Office
NAFC	-	National Agriculture and Fisheries Council
NAST	-	National Academy of Science and Technology
NGAs	-	National Government Agencies
NTC	-	National Telecommunications Commission
OCA	-	Office of the Court Administrator
OMB	-	Optical Media Board
OMB	-	Office of the Ombudsman
PhiJA	-	Philippine Judicial Academy
POs	-	Policy Outcomes
PwC	-	PricewaterhouseCoopers
RA	-	Reform Act
RFI	-	Request for Information
RFP	-	Request for Proposal
RIPS	-	Revenue Integrity Protection Service
RPs	-	Results Packages
SBDs	-	Standard Bidding Documents
SEC	-	Securities and Exchange Commission
SID	-	Source Identification
SRC	-	Securities and Regulation Code
SSG	-	Software and Support Group
SC-MISO	-	Supreme Court Management Information Systems, Office
SRC	-	Securities Regulation Code
TMAS	-	Transaction Monitoring and Analysis System
USDOJ	-	U.S. Department of Justice
VoIP	-	Voice over Internet Protocol
WCO	-	World Customs Organization

1. BACKGROUND & CONTRACT OBJECTIVES

EGTA is a 6-year USAID-funded activity (1 June 1998 – 30 June 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, EGTA 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 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 EGTA assistance to government-approved reform initiatives is managed by a consortium of Filipino and US organizations (the 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 EGTA Consortium is demand driven. The broad areas of involvement are set under the strategic guidance of the 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. 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 EGTA-supported activities undertaken during the 1st quarter of 2004 (1Q2004) 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 Outcomes and Results Packages as specified in the Steering Committee-approved EGTA Work

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

Statement for June 2003 – June 2004 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 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; revised KEAs and Milestones; and financial remaining sheet.

2. TECHNICAL ACCOMPLISHMENTS

Overview

The country's indebtedness, sluggish export growth, and political uncertainty brought about by the upcoming May elections affected the Philippines' economic performance for the first quarter of 2004.

The budget deficit was well within the government's target for the first quarter of 2004. Figures show a budget deficit of P56.847 billion versus the target of P58.9 billion for the quarter.

First quarter revenues came in at P152.61 billion, up from P136.569 billion a year ago. The increase came from the Bureau of Customs (BOC), which collected P29.195 billion during the period, or P4.3 billion more than the programmed level.

The Bureau of Internal Revenues (BIR), on the other hand, generated P2 billion less than expected, with its collections amounting to P98.974 billion compared to a P101.084 billion target.

Although inflation for the quarter was stable at 3.5%, tax evasion and the government's failure to pass bills to raise so-called sin taxes may have hampered progress towards its goal of achieving a balanced budget by 2009.

Expenditures, on the other hand, rose to P209.457 billion from P195.448 billion in the first quarter of last year.

Political uncertainties during the period resulted in the stock market's lackluster performance as foreign investors showed more interest in government securities and money market instruments.

The peso plunged to a historic low of P56.45 per US dollar also due to political tensions.

On the policy front, Pres. Arroyo signed EO 269 establishing a commission on Information and Communications Technology (ICT) as well as the Optical Media Law during the quarter.

Commercial Law Strengthening

Capital Markets Regulation. At the Securities and Exchange Commission's request, EGTA finalized its commentary on the thirteen (13) chapters of the Securities and Regulation Code (SRC) during the quarter.

Commercial Laws Enforced ("Law and Economics"). To reduce docket congestion in the trial courts, and upon PhilJA's request, EGTA fine-tuned the caseload management (CFM) software that was developed in coordination with the Supreme Court Management Information Systems Office (SC-MISO). During the quarter, a CFM software and support group (SSG) was created to assist the Management Information Systems Office (MISO) provide timely solutions to problems encountered by CFM users. In addition to this, 2000 copies of the CFM manual was printed and delivered to the Philippine Judicial Academy (PhilJA).

Also during the quarter, EGTA supported workshops to help establish mediation in the appellate courts. The workshops focused on mediation guidelines and fee structure.

Government Procurement

Procurement. During the quarter, EGTA presented the first draft of the proposed manual to procuring officers from National Government Agencies (NGAs) and representatives from the Commission on Audit (COA).

At the request of the Department of Budget and Management (DBM), EGTA assembled procurement forms used by government agencies, and standardized them for inclusion in the procurement manuals.

Banking/Anti-Money Laundering

Money Laundering Reduced. EGTA-BSP helped the Bids and Awards Committee (BAC) of the Anti-Money Laundering Council (AMLC) understand the government's procurement requirements and procedures.

EGTA helped the Bangko Sentral ng Pilipinas (BSP) and the AMLC conducted three separate workshops on Anti Money Laundering. EGTA-BSP also helped the BSP improve AML Examination Procedures by including a list of high-risk activities for money laundering in the Manual for Examiners.

Banking Supervision. EGTA-BSP completed the Manual on Supervision and Examination for Thrift, Rural and Cooperative Banks. EGTA-BSP also completed initial drafts: (1) Primary Manual on Supervision and Examination, (2) Treasury Risk Management Manual, and (3) Manual on Trust and Fiduciary Activities.

Public Sector Governance Improved

Reduced Corruption Opportunities in High-Risk Agencies. EGTA finalized the integrity development review (IDR) framework, methodology and tools during the quarter. EGTA also conducted a training program in fact-finding and research investigation.

Anti-corruption Agencies Made More Effective. During the quarter, EGTA helped the Office of the Ombudsman (OMB) conduct the second OMB Prosecutors' Trial Advocacy Skills Training Program as well as the Anti-corruption Investigation Skills Training Program. EGTA also provided research on how to improve asset disclosure in government and promote mechanisms for whistleblowing and voluntary reporting for the OMB.

Trade and Agriculture Competition

Biotechnology Exploited Safely. During the quarter, EGTA helped the Department of Agriculture (DA) train its regional teams for field test monitoring and Insect Resistance Management (IRM) monitoring.

EGTA also distributed to the Bureau of Food and Drugs (BFAD), Department of Agriculture (DA) regulatory agencies, and the Department of Trade and Industry) the final draft of the technical study on the cost implication of GM food labeling.

The final draft of the guidelines on GMO-derived processed food, which EGTA reviewed, was submitted to the BFAD during the quarter.

Intellectual Property Rights Enforcement. President Arroyo signed into law R.A. 9239 or the Optical Media Law on February 10, 2004. EGTA had provided assistance to the Intellectual Property Office and private stakeholders under the IPO's IP-REAP aimed at getting this law enacted.

The Handbook on Investigation of IP Cases was finalized and published for distribution to the prosecutors and law enforcement personnel involved in IPR protection.

EGTA worked with the BOC IP Unit in developing a management information system that contain recordation details of the IP owners' trademarks, patents, and copyrights as well as other import/export registration information requirements. This information will be used for the effective enforcement of the IP Code at the border and on a post entry basis.

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

POLICY OUTCOME 1.1 COMMERCIAL LAW STRENGTHENED AND ENFORCED (SEC, SC, DOJ)

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 impediment to 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.

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, 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.

ACCOMPLISHMENTS FOR THE 1ST QUARTER 2004

First draft of the SRC Commentary submitted to the Securities and Exchange Commission by December 2003.

- At the Securities and Exchange Commission's request, EGTA finalized its commentary on the thirteen (13) chapters of the Securities and Regulation Code (SRC) during the quarter.

PLANS FOR THE 2ND QUARTER 2004

- No further plans. Assistance in this area ended in March.

Results Package 1.1.b. Improved Efficiency in Adjudication of Commercial Law

It is widely believed within the private sector (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.

EGTA has provided assistance to the Philippine Judicial Academy (PhiJA) in support of the reform efforts of the Supreme Court Chief Justice. EGTA has provided technical advice, resource materials, and training for members of the judiciary, generally focusing on the interface of law and economics. 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 1ST QUARTER 2004

Pasay caseflow management project implemented significantly reducing delay with respect to newly filed cases by the 2nd Quarter 2004.

□ The CFM Project was able to accomplish the following during the quarter:

1. **CFM Software and Support Group (SSG) created.** Composed of representatives from the Supreme Court's Philippine Judicial Academy (PhilJA), Management Information System Office (MISO), Office of the Court Administrator (OCA), and EGTA. the objective of the SSG is to provide timely and immediate response to the problems that maybe encountered by the CFM users without diminishing the role of MISO in the project.
2. **CFM software fine-tuned.** Fine-tuning of the system has been completed and a revised CFM System Manual and Software were submitted to EGTA.
3. **Deed of Donation between USAID/EGTA and PhilJA signed.** The ceremony was held with Chief Justice Hilario Davide in attendance. The Chief Justice and Justice Ameurfina Herrera expressed their appreciation for all the technical assistance that the EGTA has given to the PhilJA.
4. **CFM Manual Printed.** 2000 copies of the manual were produced and delivered to PhilJA. These manuals are for dissemination to the courts where CFM will be implemented.
5. **Memorandum of Understanding between the PhilJA and Interlink Business Solutions, Inc. (IBSI) signed.** The MOU contains the following provisions:
 - ⇒ Should it become necessary, rework / bug-fixes shall be done by Interlink to ensure compliance with the project requirements at no extra cost to PhilJA for a period of one (1) year from March 24, 2004, the time frame agreed upon between the parties;
 - ⇒ Interlink shall commence investigation within 48 hours from the time a complaint is received. If bugs cannot be fixed within 48 hours from the time of reporting to Interlink, Interlink shall provide to the CFM System Support Group time estimates for fixing the bugs. Bug fixes shall be implemented within 1 week from the time the complaint is received. If additional time is needed, the extension shall be with the knowledge and consent of the CFM System Support Group;
 - ⇒ In case of services other than "bug fixes" will be requested, Interlink shall inform PhilJA of the cost involved, and obtain a written agreement from PhilJA to proceed with the modification or enhancement, before any service is rendered;
 - ⇒ Interlink shall not be held liable for disruption of operation of systems that may result from the full or incremental deployment of the application of the System, nor for any consequential damages due to steps that may have been taken by the users relative to the discharge of their roles and responsibilities;

- ⇒ Interlink deeds full ownership and possession of the application codes, source codes, and all documentation to PhilJA. Interlink further warrants that it will not use the customized CFM System for any purpose without prior written consent of PhilJA;
- ⇒ PhilJA shall have full ownership of the CFM System and all intellectual property rights as set forth and guaranteed in the Intellectual Property Law of the Philippines;
- ⇒ After full testing and evaluation by MISO, showing that the System is free of any apparent defects or errors, PhilJA shall issue a Certification of Acceptance, upon recommendation of MISO.

Court-annexed mediation at the appellate-level institutionalized and self-sustaining, resulting in a significant increased case settlement rate by March 2004.

- In January 2004, workshops for the institutionalization of mediation in the appellate court were conducted. The workshop looked into the Mediation Guidelines, Mediation Fees Structure and other matters necessary for the incorporation of mediation in the procedure of the Court of Appeals.

Benchbooks on Corporate Rehabilitation and Insolvency.

- USAID approved the printing of the Benchbooks to be distributed to Supreme Court and Court of Appeals justices, Commercial Court judges, and quasi-judicial agencies. The Benchbooks will help bring about the efficient resolution of debt relief cases and standardize insolvency practice in the Philippines.

PLANS FOR THE 2ND QUARTER 2004

- No further plans. Assistance in this area ended during the quarter.

POLICY OUTCOME 1.3 EXPENDITURE MANAGEMENT STRENGTHENED

Results Package 1.3.b. Government Procurement System More Efficient and Transparent

Public sector governance "hits the road" in the prosaic 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 to promote growth and development. 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 (GPRA).

ACCOMPLISHMENTS FOR THE 1ST QUARTER 2004

Transparency, efficiency, economy, and decreased discretion of procurement process ensured through the completion and approval of procurement manuals on goods, infrastructure projects, and consulting services by December 2003.

- Workshops with TWG conducted:** To ensure that the proposed manual would be responsive to the needs of the procuring units, crafting is being done with maximum participation from its intended users. EGTA presented the first draft of the proposed manual in 14 workshops ending on 12 February 2004. Procuring officers from National Government Agencies (NGAs) and representatives from the Commission on Audit (COA) attended these workshops. In these initial workshops, the following were established: a) the scope and contents of the procurement manual; b) questions about detailed procedural steps in procurement that the manual should be able to answer.
- Consultations with TWG Manual Reviewers held:** To ensure that the recommendations of the TWG are incorporated in the proposed manual, EGTA held intensive review meetings with the Manual Reviewers, selected TWG members who are recognized experts in the procurement of goods and services, infrastructure projects and consulting services. Eight (8) of these review meetings have been conducted starting from 25 February 2004. In these meetings, refinements in the proposed manuals have been agreed on.
- Standardization and Consolidation on going:** Having passed the scrutiny of the Manual Reviewers, a large portion on the proposed manual has been transmitted by the Writers to the Manual Expert for standardization and consolidation. The Manual Expert is in the process of consolidating, standardizing, simplifying and improving the usability and comprehension of the drafts.
- Crafting of the Procurement Standard Forms on-going:** At the request of the Department of Budget and Management (DBM), EGTA has likewise worked on the standard forms for procurement, which the TWG has recommended to be incorporated into the proposed manuals.

EGTA has gathered the forms, which are currently being used by the procuring entities in the government, and have standardized them. EGTA will be finished reviewing them on 9 April 2004 and will incorporate them into the proposed manual.

PLANS FOR 2ND QUARTER 2004

- Review of SBDs:** At the request of the DBM, EGTA shall review and edit the Standard Bidding Documents (SBDs) to ensure consistency with the Implementing Rules and Regulations for locally funded procurement (IRR-A) and the proposed procurement manual. These SBDs shall be incorporated into the proposed manual together with the proposed standard forms. These shall be done by 16 April 2004.
- Presentation to TWG:** EGTA will conduct another round of workshops with the TWG to present the final draft of the proposed manual, together with the proposed standard forms and the edited SBDs. These will be done on 19 to 23 April 2004.
- Submission to the GPPB:** EGTA will submit the final draft of the proposed manual, together with the proposed standard forms and the edited SBDs to the Government Procurement Policy Board (GPPB) for approval on 30 April 2004. Together, these three shall make up the procurement guide that every procuring entity must have in order to help institutionalize the new procurement law.

POLICY OUTCOME 1.4 BANKING STRENGTHENED AND MONEY LAUNDERING REDUCED

Results Package 1.4.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."

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 1ST QUARTER 2004

Completed Proposal on procurement options and proposed terms of reference by March 2004.

- EGTA-BSP assisted the Bids and Awards Committee (BAC) of the AMLC in understanding the requirements of the Philippine Government Procurement Reform Act (R.A. 9184), defining the procurement requirements, determining the alternatives for purchase of required hardware and software, and providing the group with information on the procurement experience of other Philippine government agencies.
- EGTA-BSP conducted several meetings with the BAC to discuss provisions of the Philippine Government Procurement Reform Act. The discussions also provided an opportunity to clarify further their requirements and priorities. To enhance competition and in observance of the principles of transparency and equity, the BAC will conduct public bidding process. The AMLC's requirements for the first component of the Transaction Monitoring and Analysis System (TMAS) appears to strongly support this type of process over other allowable alternative methods of procurement.
- EGTA-BSP provided information on the advantages and disadvantages of two procurement modes - Procurement of Goods and Procurement of Consulting Services. Following extensive discussions with the BAC and understanding their priorities, two procurement modes were identified for the BAC to consider. The two procurement modes - Procurement of Goods and Procurement of Consulting Services- were compared based on the following categories: length of bidding period for procurement, option to shortlist the bidders, option to rate quality, option to negotiate terms of reference, scope of services, methodology and work program and option to allow customization and extent of discretion provided to the BAC in comparing the bids.
- EGTA-BSP recommended using Procurement of Consulting Services for the requirements of TMAS Component I project following several meetings and discussions with the BAC. The Procurement of Consulting Services provides the BAC and its Technical Working Group

adequate discretion to rate bidders and proposals based upon relevant sets of criteria. It also allows the bidders the opportunity to include components in their proposals for development and customization during contract implementation. The longer period required to conduct the Procurement of Consulting Services is justified due to the additional stages provided under this mode for the BAC to properly evaluate the bids and the bidders.

Completion of the information systems plan by December 2003 and RFI, RFP and ISP.

- ❑ The Information Systems Plan (ISP) was presented to the AMLC. Following revisions and discussions within the AMLC Secretariat, the revised document was prepared. The Plan specified five major system components namely, the Data Management and Consolidation, Data Mining Engine, Visualization Tools, Case Management and Workflow and Document Management with Imaging. Given funding resource limitations, the plan requires two distinct phases to be consecutively developed. Phase I is the design of a database and analytical engine. Phase II is intended to fully implement and expound on Phase I by allowing data mining and link analysis.
- ❑ EGTA-BSP prepared the required bidding documents for the Procurement of Consulting Services. The Request for Proposal (RFP) document was submitted to the BAC on March 28, 2004. Following evaluation and discussion of the procurement modes, general consensus was arrived by members of the BAC to pursue the Procurement of Consulting Services option for Phase I components. The RFP includes a section on Technical Specifications. It was agreed early on with the BAC that the Technical Working Group of the BAC would provide this section.
- ❑ EGTA-BSP assisted Mr. Santos by providing detailed information on various sections of the Information Systems Strategic Plan. Mr. Santos was hired by the AMLC in January 2004 to assist with the implementation of the information technology requirements. EGTA-BSP explained the Information Systems Strategic Plan in response to queries raised by Mr. Santos. In addition information was also provided on the requirements of the donor agencies. Further, EGTA-BSP provided information on the available software packages based on research conducted. The software packages can assist investigators and covered institutions to detect suspicious transactions and pursue further investigations on the accounts or transactions.
- ❑ EGTA-BSP also developed the Procurement Management Timeline and Milestones, which was presented to the members of the BAC in March 2004. The timeline will guide the actions of the BAC in order to allow the AMLC to utilize the Philippine government approved funding of P100 million. The government funding will expire after December 2004.
- ❑ As discussed with the BAC, the Request for Information (RFI) process was conducted informally by the Information Management Analysis Section of the AMLC Secretariat in coordination with Mr. Santos, IT consultant of the AMLC. The BAC did not require the development of legal documents for this process.

Conduct of training programs to enhance capability for compliance with regulations.

EGTA-BSP conducted interagency training programs to strengthen the implementation capacity of various regulatory agencies. EGTA in coordination with the Bangko Sentral ng Pilipinas (BSP) and

the Anti Money Laundering Council conducted three separate workshops on Anti Money Laundering. The regulated institutions were also included in the workshops in order to identify opportunities for cooperation to improve compliance from these institutions.

- The workshops were designed to meet the training requirements of three sectoral groups - the AML specialist team of the BSP, general examiners of the BSP and compliance officers of the commercial banks. A total of 178 BSP examiners participated in the seminars.
- The workshop for the Compliance Officers included 50 participants from the commercial banks and the regulatory agencies such as the BSP, Securities and Exchange Commission and the Insurance Commission. The panel discussants included the Executive Director of the AMLC, the President of the Association of Bank Compliance Officers, Mr. Lawrence Tan of the Monetary Authority of Singapore and Ms. Ladbrook, AML Compliance Officer of BankAmerica, Australia. The panel discussion provided a forum for the regulators and the regulated entities to raise questions and issues related to compliance requirements on AMLA. The discussions raised several concerns on the part of the regulated entities as well as suggestions for a public information campaign to raise the awareness of anti money laundering issues. This will minimize an adversarial relationship between the public and the banks implementing a strict Know Your Customer policy.
- EGTA-BSP assisted in the design of the Financial Investigations Workshop to focus certain sessions on assisting the members of the AMLC Secretariat and the BSP Specialist Team in developing strategies to gather and analyze financial evidence. In January 2004 EGTA-BSP met with Undersecretary Bonoan following earlier requests from him to include members of his newly formed group in AML workshops. A joint training workshop with AMLC on Financial Investigations was proposed.

EGTA-BSP finalized the AML Workshop Evaluation Reports, which were provided to the AMLC. The reports will serve as input into the requirements for the development program of the AMLC Secretariat staff.

Completed Manual for AML Compliance Procedures.

EGTA-BSP assisted in enhancing the AML Examination Procedures to include activities, which are identified as high-risk activities for money laundering.

- EGTA-BSP prepared the draft of the AML examination compliance procedures, which were then reviewed by members of the technical working group. A streamlined approach was adopted by the BSP. Upon recommendation of the Asia Pacific Group of the FATF, several of the provisions in the EGTA prepared manual were then restored. The revised expanded version of the AML Compliance Examination Manual included the original provisions of the EGTA prepared manual and other suggested procedures. The examination procedures are designed to ensure that financial institutions have installed effective internal monitoring controls. The absence of adequate Know Your Customer standards can subject the financial institution to serious counter-party risks including reputation, operational and legal risks. Banking institutions need to be continuously vigilant about their customers and their activities to ensure that their organizations are not victims of and do not knowingly participate in money laundering activities and the funding of terrorist activities. The banking organization's policies and

procedures designed to identify and understand with whom it is conducting business and to identify suspicious activities is its best protection against criminal activities.

PLANS FOR THE 2ND QUARTER 2004

- No further plans. Assistance in this area ended during the quarter.

Results Package 1.4.b. Financial Intermediation of Banks Improved

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 1ST QUARTER 2004

Completed Manual on Supervision and Examination, including specialty areas like trust and fiduciary activities, treasury operations and corporate governance by April 2004.

- EGTA-BSP completed the initial drafts of the Primary Manual on Supervision and Examination, Treasury Risk Management Manual, and the Manual on Trust and Fiduciary Activities.
- EGTA-BSP conducted several meetings with the Supervision and Examination Sector. Directors and Deputy Directors of various departments within the Supervision and Examination Sector attended the meetings. The Manual on Examination provides the framework for off site surveillance mechanism for identifying potential problems 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 the banking institution. The procedures to conduct the basic assessment, expanded assessment and impact analysis were discussed.
- EGTA- BSP revised the manuals to include the recommendations discussed at the meetings.

Completed Manual on Supervision and Examination for thrift and rural banks by March 2004.

- EGTA-BSP completed Manual on Supervision and Examination for Thrift, Rural and Cooperative Banks. The Banking Group Manager presented the revised Manual on Supervision and Examination for Thrift, Rural and Cooperative Banks to the Managing Director, Directors and Deputy Directors of the Supervision and Examination Department. The manual will replace the existing Manual of Examinations, which was prepared several decades ago. The manual will provide some uniformity in the examination process and will reduce opportunities for a bank which is potentially subject to severe sanctions from the BSP to raise the issue that the examiner has conducted procedures over that which is required for due diligence.

- The Manual was well received and recommended for submission to the Monetary Board of the BSP following inclusion of minor revisions. The manual is now undergoing final revision to consolidate comments made at the last meeting.

Comparative matrix on methodologies for loan sampling followed by other regulations.

- EGTA-BSP proposed a loan sampling methodology. The comparative matrix on loan sampling methodologies utilized by the primary banking regulatory agencies in the US were discussed. The sampling approach to loan reviews replaced the traditional top-down loan coverage approach. The proposed loan sampling methodology combined features used by the regulatory agencies. The methodology proposed supplements the traditional credit review of problem loan with a statistical sampling technique in order to gain a better understanding of the bank's credit risk management policies and practices. This provides the examiners with a basis for evaluating the accuracy of the bank's process for classifying credits.

Study proposal on alternative rating system for FBOs and general procedures for implementation.

- Following a series of lectures by the Banking Group Manager on the supervision structure for Foreign Banking Organizations (FBO) in the US and the application of the ROCA rating system, the BSP task force has submitted their proposal for the adoption of a similar program for supervision of foreign banking groups in the Philippines. The use of the ROCA rating system (risk management, operational risk, compliance and asset quality) was also proposed. The FBO program also includes an assessment of the performance and governance structure of the parent company of the foreign banking organization. The adoption of this supervisory tool supports the risk focused supervision framework, which the BSP has adopted in other supervision areas. These tools will assist examiners in identifying supervisory concerns in a systematic way. It assists in setting the scope of on site examination and determining the level of supervisory and enforcement actions required if any.
- EGTA-BSP assisted in the development and completion of the Bank Examiners Code of Conduct. Bank examiners play a major function in determining whether the policies passed by the Monetary Board of the BSP are implemented by the financial institutions. They serve as a vital communication link between the BSP and the financial institutions. As such they need to be cognizant of the importance of this role and ensure that their behavior at the financial institutions during the conduct of an examination is beyond reproach. The Code of Conduct provides guidance to examiners on their responsibilities and the expectations of the BSP. It prescribes among others their responsibilities with regards to handling confidential information, situations, which can result in conflicts of interest, outside activities and political activities.

PLANS FOR THE 2ND QUARTER 2004

- No further plans. Assistance in this area ended during the quarter.

POLICY OUTCOME 1.5 PUBLIC SECTOR GOVERNANCE IMPROVED

Results Package 1.5.a. Reduced Corruption Opportunities in High-Risk Agencies

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, EGTA is providing technical assistance aimed at curbing corruption and improving governance in the Philippines². Specifically, 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 EGTA supports aims to make corruption a high risk, low reward activity.

ACCOMPLISHMENTS FOR THE 1ST QUARTER 2004

Execution of all counterpart activities under Results Package 1.5.A - Reduced Corruption Opportunities in High-Risk Agencies were accomplished as planned. Enabling factors for efficient implementation are 1) increased ownership of project activities by government counterparts, 2) close monitoring and regular risk assessment of project activities, and 3) best use of anticorruption coalitions in support of project activities.

1. DBM corruption vulnerability assessments

1.1. Guided integrity development review (IDR) of 3 select agencies by April 2004.

1.2. Integrity problems and reform measures in 3 select agencies identified by April 2004.

- **Development of the IDR framework, methodology and tools completed on 16 January.** EGTA assisted the contractor Development Academy of the Philippines (DAP) in the design of the Integrity Development Assessment (IDA), Indicators Research, Survey of Government Employees, and Corruption Vulnerability Assessment (CVA).
- **The first 3 tools are deployed for IDR Stage 1 – Corruption Resistance Review,** which is based on a framework with nine dimensions for integrity building: code of conduct; gifts and benefits policy; recruitment, selection and movement of personnel; procurement management; performance management; whistleblowing, internal

² 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.

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reporting and investigation; corruption risk management; financial management; and interface with the external environment.

- IDR Stage 2 utilizes the CVA – a detailed process mapping and risk assessment for priority areas identified in Stage 1.
- **Selection and Training of Assessment Teams were completed on 6 February.** EGTA is contributing to the diagnostic exercise as external assessors. A total of 25 internal and external assessors underwent the training 3-6 February. The training featured lectures and workshops on the administration, trial runs and analysis of results of IDR tools; exercises on corruption indicators; and work planning for the actual assessments.
- EGTA applied penalties to the contractor for the minimal days of delay in the delivery of Tasks 2 and 3 expected outputs. It realigned savings for a) conduct of focused group discussions to determine the risks in implementation within the IDR target agencies, and 2) printing of IDR information materials.
- **IDR Stage 1 – Corruption Resistance Reviews of the Office of the Ombudsman (OMB); and Department of Education (DepEd) central office and sub-national offices in Regions 1, 8 and National Capital Region completed on 5 March.** EGTA contributed as external assessors in the IDR Stage 1 of OMB and DepEd central office, which was conducted on the week of 16 February; and DepEd regional offices on the week of 16 March.
- Some of the results of IDA in the OMB were included in the agenda of their 2004 corporate planning. These include immediate measures for deployment to manage post-employment issues relating to high-risk posts, and improvement of investigation and prosecution through issuance of internal rules.
- DepEd central office likewise found the IDA useful as many management issues were addressed. For the Survey of Employees, a total of 100 respondents were interviewed in OMB and 75 respondents in each of the central and regional offices of the DepEd. Quantifiable corruption vulnerability indicators have been gathered for the two agencies, which are expected to produce benchmark information on procurement/financial management, human resource development and performance management, agency performance in relation to whistle-blowing and voluntary reporting, among others.
- **IDR Stage 2 – Corruption Vulnerability Assessments of OMB and DepEd central office completed on 19 March; assessment of Civil Service Commission (CSC) and DepEd regional offices ongoing.** EGTA contributed as external assessors in the process mapping and risk assessment of OMB and DepEd. OMB areas that underwent CVA are mission critical functions (fact-finding, preliminary investigation, administrative adjudication and prosecution), performance management, and human resource management. The exercise produced a number of recommendations, some of which are: collegial review to democratize decision-making; team instead of individualized graft investigation; more rigid guidelines for

decisions not to investigate; document security measures; and mechanisms for monitoring the flow of cases.

- For the DepEd, CVA areas are internal reporting, procurement management, financial management with focus on payroll, and human resource management with focus on selection of employees. Results of the CVA in the DepEd central office as well as the deployment of system safeguards are being validated in regional/division offices and, to some extent, school levels.
- CSC opted to proceed to Stage 2, which will entail the following activities: survey of entire agency, risk assessment, and process mapping using interviews and secondary data research. CSC internal assessors, led by Civil Service Chairperson Karina David, are currently designing the survey instrument, which will be administered through the agency's intranet system. CVA of CSC's main mandate and other key areas will proceed in late March to early April 2004.
- **Presentation of results - report writing and preparation of brief presentations to IDR advisory group, target and proponent agencies and USAID EGTA ongoing.** Initial drafts of Stage 1 and Stage 2 reports were readied by end of March. The OMB assessment team is set to present the results of the IDR to the agency senior counterpart team on 2 April.
- **OMB committed to utilize the IDR tools for corruption prevention.** Ombudsman Simeon Marcelo in his 5-year strategic plan noted the implementation of the IDR in high-risk agencies as a corruption prevention initiative. The OMB has indicated that it will include this activity in a new technical assistance request to the USAID mission.

2. Restructuring the CMIO as Revenue Integrity Protection Service (RIPS). Secretary Juanita Amatong requested USAID support to implement the strategic plan to institutionalize and ensure the anticorruption effectiveness of the RIPS. This plan was the product of a full day workshop last 27 February, which featured the following: strengths / weaknesses / opportunities / threats or SWOT analyses of the RIPS; assessment of RIPS organizational resources; and workshop on goals, objectives, strategies and action plan. Among the highlights of the plan are capacity building for corruption deterrence and prevention, and reorganization of the RIPS.

2.1. Basic training programs on fact-finding and research investigation by December 2003.

Thirty-four (34) CMIO/RIPS, five (5) Anti-Money Laundering Council, three (3) Anti-Smuggling Intelligence and Investigation Center, five (5) Bangko Sentral ng Pilipinas, two (2) Presidential Anti-Graft Commission, and five (5) Office of the Ombudsman investigators completed the Financial Investigation Skills Training (FIST) Program from 29 March to 2 April.

- EGTA worked with the Financial Services Volunteer Corps (FSVC) and the United States Immigration and Customs Enforcement office of the United States Department for Homeland Security (DHS) for the design and implementation of the training. Senior DHS financial experts Toby Roche and Don Yungbluth led the conduct of the training. Lectures and workshops focused on asset investigation and

forfeiture, financial investigation, financial records and graft case management, money laundering, methodologies for tracing funds, special investigative techniques (surveillance, search warrants, undercover operations). The 5-day training culminated in an open inter-agency discussion to address the critical issues in effective coordination work.

3. Bureau of Customs – World Customs Organization integrity development program

3.1. *Guided integrity assessment of the BOC by December 2003.*

3.2. *Adoption of World Customs Organization (WCO) Integrity Development Program in the Bureau of Customs (BOC) by June 2004.*

- ⇒ **The Self-Assessment Integrity Development Report of the BOC was finalized in the week of 5 March; EGTA assisted the World Customs Organization (WCO) customs specialist Shahid Sheik in the conduct of the assessment.** The WCO Integrity Development Guide served as the framework and assessment instrument, which was administered within 10 days beginning 6 February. Assessment activities include key informant interviews of BOC officials and local/international stakeholders, and documents review.
- ⇒ **WCO Deputy Secretary General Kuniyo Mikuriya commends the BOC Integrity Assessment as an important first step in making the BOC's initiative the WCO pioneering program in customs integrity assessment in the Asia-Pacific.** Commissioner Bernardo committed to present the results of the self-assessment to the BOC local stakeholders in March/April 2004.
- ⇒ **Preparations are ongoing for a national workshop in late April for the BOC to come up with an Integrity Action; EGTA is contributing technical assistance.** Commissioner Bernardo directed all deputy commissioners, directors, and collectors to participate in the unprecedented workshops. Integrity consultant from WCO and U.S. customs are being invited to facilitate the workshop.

PLANS FOR 2ND QUARTER 2004

- Manage the DAP, implementation of the remaining IDR project tasks: Task 4 – IDR of OMB, CSC and DepEd; and Task 5 – Presentation of results.**
- Assist RIPS to locate possible funding sources for post-EGTA activities as outlined in its strategic plan.**
- Prepare the evaluation report on the RIPS Financial Investigation and Skill Training Program.**
- Assist the BOC in the design and conduct of the national workshops for the development of the agency integrity action plan.**

Results Package 1.5.b. Anti-Corruption Agencies Made More Effective

ACCOMPLISHMENTS FOR THE 1ST QUARTER 2004

Execution of all project activities is nearing completion. Close coordination with government counterparts contributed greatly to timely implementation.

1. Assisting the Office of the Ombudsman (OMB) improve its effectiveness

1.1. Series of graft prosecutors training in advance trial advocacy skills by April 2004.

- Thirty-one (31) prosecutors from the Office of the Special Prosecutor and thirty-five (35) from the OMB sectoral offices in Luzon, Visayas, Mindanao and the military completed the 6-day OMB Prosecutors' Trial Advocacy Skills Training Program – Phase 2 in the week of 30 January and 5 March, respectively.
- EGTA assisted the OMB in designing and delivering the training, which featured lectures, workshops, demonstration trials on fundamentals and principles of case preparation and management; forensic chemistry, questioned documents, and medico-legal issues; financial fraud and infrastructure forensics; malversation, impeachment, falsification and forfeiture of ill-gotten wealth.

1.2. Series of graft investigators trained in fact-finding and research techniques by February 2004.

- Forty-two (42) investigators from the OMB fact-finding investigation bureau of central and sectoral offices, seven (7) from the Civil Service Commission central office, and five (5) from the Finance Department's Revenue Integrity Protection service completed the 6-day Anticorruption Investigation Skills Training starting 26 March.
- Lectures, workshops and mock interviews were focused on developing knowledge on the theories on corruption, various anticorruption legislation, international cooperation and mutual legal assistance; complaint/witness interview techniques; and practical skills on fraud investigation and interrogation. Former Independent Commission against Corruption of Hong Kong (ICAC-HK) senior officials Tony Kwok and Paul Dickinson led the conduct of the training. Ombudsman Simeon Marcelo stressed the importance of this capacity-building activity in improving his agency's effectiveness in corruption deterrence.

1.3. Medium-term strategic plan of accountability agencies to fight corruption formulated by March 2004.

- The unprecedented Anticorruption Summit Workshop of Constitutional Accountability Institutions was held on 28-29 January produced the Joint Anticorruption Plan for the Commission on Audit (COA), Civil Service Commission (CSC) and OMB. The heads of CSC and OMB signed the plan on 31 March. The Plan is undergoing final review by COA commissioner. Ombudsman Marcelo, Civil

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Service Chairperson Karina David and Audit Assistant Commissioner Dalman together with senior staff crafted collective and individual agency actions for the medium- and short-terms.

- EGTA and Tony Kwok assisted government counterparts in the high-level workshop. Among the highlights of the collective plan are establishment of inter-agency **asset disclosure database**, formulation of joint task force for technical support and **clearinghouse** for major investigations, use of USAID EGTA-assisted Integrity Development Review for the conduct of inter-agency audit of government offices. CSC committed to strengthen personnel audit of all government agencies.
- OMB pledged to design and sponsor a whistleblowing bill and program, review the resident ombudsman program and prepare a policy paper on the waiver of bank secrecy rights for graft investigations. COA agreed to assist the OMB and CSC in fraud investigation, and consult CSC and OMB in the crafting of resolutions over major financial disallowance of government agencies/officials.
- One of the components of the Joint Anti-corruption Plan that has been implemented is the signing of a memorandum of agreement between CSC and OMB that delineates responsibilities and case coverage to improve the disposition of administrative cases of corruption. The disposition of administrative cases of low-ranking officials is now assigned to CSC, and high-ranking officials to the OMB. Each agency will dispose the administrative cases of their own personnel, regardless of rank.

1.4. Select officers and staff of anticorruption agencies trained in anticorruption best practices by November 2003.

- Office of the President Assistant Secretary Nicasio Conti expressed in a meeting on 25 March that fellow executive scholars who attended the USAID-EGTA sponsored six-week anti-corruption program in Hong Kong University are now actively coordinating among themselves on matters pertaining to corruption investigations.

1.5. Improved perceptions of anticorruption credibility of the Office of the Ombudsman and other accountability agencies by June 2004.

- Public confidence on the credibility of the Ombudsman has improved based on the increase in the number of corruption complaints and requests for assistance received by the Ombudsman in 2003. The Ombudsman received an average of 1,141 monthly complaints in 2003, as against the previous year's 964 monthly complaints, representing an 18% increase.

2. Increasing risks of conviction for corruption in government

2.1. Increased conviction rates in the Sandiganbayan and the regular courts by April 2004.

- The OMB has improved its conviction rate in the Sandiganbayan, from 6% in 2001 to 10% in 2003, a 66% increase.

- At the request of Ombudsman Marcelo, EGTA and Tony Kwok prepared a package of proposals for the restructuring of the OMB investigation unit. The proposal was submitted to OMB on 28 January. The document highlighted the need for the OMB to do the following: a) underscore its primacy in investigating corruption; b) reallocate staffing resources for a more efficient and effective deployment of corruption investigators; c) link the fact-finding and preliminary stages of the investigation; d) coordinate with law enforcement agencies for search and seizure operations; and e) organize the investigation unit along the lines of the ICAC-HK Operations Department with 4 branches on general investigation, asset investigation, intelligence and support.
- Priority issues identified by the EGTA for the installation of a computerized graft case management system in the OMB were taken up in the agency's integrity development review. EGTA conducted a preliminary assessment of the system and data requirements that are necessary for the computerization of OMB's case flow recording, which is foreseen to improve: management of graft investigations, document security, retrieval of performance indicators on investigation and prosecution, feedback to internal and external clients.

2.2. Increased number of effective investigations of statements of assets, liabilities and net worth by April 2004.

- To date, the Office of the Ombudsman has conducted about 39 asset checks of officials of high-risk agencies and have suspended and charged several officials for corruption violations in relation to their SALs. Among the notable instances are the cases filed and administrative suspensions of a Deputy Customs Commissioner, an Assistant Internal Revenue Commissioner, and a Public Works and Highways Regional Director. The high-level suspensions are unprecedented.
- EGTA completed a policy study on improving the asset disclosure regulatory environment of the country. Partly as a result of this study, the Office of the President is now considering the issuance of an administrative order to make the SALs more comprehensive yet user-friendly.

3. Reducing opportunities for corruption in government

3.1. Policy reform options on asset disclosure, whistleblowing, and gender and corruption drafted by March 2004.

- EGTA completed policy research studies on improving asset disclosure regime, fostering an enabling environment for whistleblowing and voluntary reporting, exploring international anticorruption innovations, and gender and corruption. The studies were circulated to the heads of agencies and executive scholars of the Inter-Agency Anti-Graft Coordinating Council (IAAGCC) and included in the training kit of the Anticorruption Investigation Skills Training held on 21 to 26 March.

3.2. *Increased assistance for whistleblowers by the Office of the Ombudsman and other accountability agencies by April 2004.*

- EGTA completed a policy research study that outlines mechanisms for fostering a conducive environment for whistleblowing and voluntary reporting. The Ombudsman has welcomed this study because he seeks to sponsor whistleblowing protection legislation.

PLANS FOR 2ND QUARTER 2004

- Draft evaluation reports on OMB investigation and prosecution training.
- Help develop implementation strategy of Joint Anticorruption Plan.
- Secure inputs of government counterparts on policy reform studies.

ACHIEVEMENTS As per Work Statement (June 2003- June 2004 ³)	STATUS
Results Package 1.1.a Capital Markets Better Regulated	
<input type="checkbox"/> First draft of the SRC commentary submitted to the SEC by December 2003.	<input checked="" type="checkbox"/> Assistance completed.
Results Package 1.1.b Improved Efficiency in Adjudication of Commercial Law	
<input type="checkbox"/> Pasay caseload management project implemented, significantly reducing delay with respect to newly filed cases by 2 nd quarter 2004.	<input checked="" type="checkbox"/> Assistance completed.
<input type="checkbox"/> Court-annexed mediation at the appellate level institutionalized and self-sustaining, resulting in a significant increase in case settlement rate by March 2004.	<input checked="" type="checkbox"/> Assistance completed.
Results Package 1.3.b Government Procurement System More Efficient and Transparent	
<input type="checkbox"/> Transparency, efficiency, economy, and decreased discretion of procurement process ensured through the completion and approval of procurement manuals on goods, infrastructure projects, and consulting services by December 2003.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
Results Package 1.4.a Money Laundering Reduced	
<input type="checkbox"/> Completion of the information systems plan by December 2003 and RFI and RFP by April 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Completion of proposal on procurement options and proposed terms of reference by March 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Conduct of training programs to enhance capability for compliance with regulations.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
Policy Result 1.4.b Financial Intermediation of Banks Improved	
<input type="checkbox"/> Completion of manual on supervision and examination and supplemental examination procedures manual for trust, fiduciary, and treasury activities by April 2004	<input checked="" type="checkbox"/> Completed initial drafts.
<input type="checkbox"/> Completed manual on supervision and examination for thrift and rural banks by March 2004.	<input checked="" type="checkbox"/> The manual is undergoing final revisions.
Policy Result 1.5.a Reduced Corruption Opportunities In High-Risk Agencies	
<input type="checkbox"/> Integrity problems and reform measures in 3 select agencies identified by April 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
Policy Result 1.5.b Anti-corruption Agencies Made More Effective	
<input type="checkbox"/> Series of graft prosecutors' training in advance trial advocacy skills by April 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Series of graft investigators trained in fact-finding and research techniques by February 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.

³ The Key Expected Accomplishments (KEAs) were modified in June 2003. See attached list of KEAs.

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ACHIEVEMENTS As per Work Statement (June 2003- June 2004 ³)	STATUS
<input type="checkbox"/> Medium-term strategic plan of accountability agencies to fight corruption formulated by March 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Select officers and staff of anti-corruption agencies trained in anti-corruption best practices by November 2003.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Improved perceptions of anti-corruption credibility of the Office of the Ombudsman and other accountability agencies by June 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Increased conviction rates in the Sandiganbayan and the regular courts by April 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Increased number of effective investigations of statements of assets, liabilities, and net worth by April 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.
<input type="checkbox"/> Policy reform options on asset disclosure, whistleblowing, and gender and corruption drafted by March 2004.	<input checked="" type="checkbox"/> Assistance is on going and will be completed during the quarter.

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

POLICY OUTCOME 2.1 INCREASED COMPETITION IN KEY INFRASTRUCTURE AND SERVICES

Results Package 2.1.b. 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.

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 1ST QUARTER 2004

NTC draft rules for the introduction and use of VOIP prepared by October 2003.

- Upon the request of National Telecommunications Commission (NTC) Commissioner Armi Jane Borje, EGTA attended the Cybercrime Workshop on January 7-9, 2004 in Tagaytay. The U.S. and Philippine Departments of Justice, with assistance from USAID, jointly organized the workshop.
- During the quarter, the National Telecommunications Commission (NTC) issued a draft memorandum circular (MC) on Voice over Internet Protocol (VoIP). EGTA provided technical assistance to the DOTC and NTC in drafting the VoIP Policy Paper. Eng. Egay Cabarios, Chief of the Common Carriers Authorization Division (CCAD) of the National Telecommunications Division (NTC), is reviewing the initial comments on the proposed memorandum circular (MC) on Voice over Internet Protocol (VoIP).

PLANS FOR THE 2ND QUARTER 2004

- EGTA assistance for the NTC ended in February 2004.

Results Package 2.1.c. 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. EGTA is participating in government initiatives to enable the

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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), EGTA assists the Department of Transportation and Communication (DOTC) 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 1ST QUARTER 2004

DICT AND CYBERCRIME

Executive order establishing a commission on ICT by September 2003.

- ❑ On January 12, President Gloria Macapagal-Arroyo signed Executive Order 269 establishing the Commission on Information and Communications Technology (CICT). EGTA consultants provided the Information Technology and E-Commerce Council (ITECC) with technical assistance through research and analysis for the drafting of the EO. The CICT is an attached agency to the Office of the President, headed by a Commissioner with cabinet-level ranking, created solely to oversee the development and promotion of ICT in the Philippines.

Draft legislation on Cybercrime by December 2003.

- ❑ As part of its support to ITECC in combating cybercrime, EGTA consultants met with Richard Downing and Joel Schwarz of the U.S. Department of Justice (USDOJ), and Normand Wong of the Department of Justice Canada to finalize the agenda and logistics for the Cybercrime workshop.
- ❑ ITECC, through the support of the EGTA and the Internews Network, conducted a two-day workshop entitled "Drafting Comprehensive Laws to Combat Cybercrime," from January 7 to 9, 2004 in Tagaytay City. The workshop aimed to increase the awareness and education of the members of Congress on the most crucial elements of cybercrime as well as best practices/international agreements regulating cyber security, with focus on the most important procedural considerations for cybercrime legislation.
- ❑ EGTA helped ITECC arrange for meetings of the representatives of the U.S. Department of Justice (USDOJ) with key Philippine government offices and members of the private sector to discuss the proposed Cybercrime Bill.

CMM

CMM certification of six (6) globally competitive software firms by March 2004.

- ❑ EGTA consultant Joselyn Capistrano met with the six selected firms for the diagnosis phase prior to the CMM consulting phase. The firms include:
 1. Webworks OS,
 2. WeServ Systems International, Inc.,
 3. Leverage Systems Technologies, Inc.,

4. Jupiter Systems, Inc.,
5. SVI, and
6. Bigfoot Global Solutions, Inc.

International Business Linkage (IBL) Program

- EGTA helped ITECC organize a workshop for the International Business Linkage (IBL). It aims to assist Filipino software developers and wireless application companies develop effective marketing strategies for their international business efforts. This activity was organized in cooperation with the Center for International Trade Expositions and Missions (CITEM) with funding support from the USAID through the Internews Network.
- A total of 53 participants representing 31 companies attended the IBL seminar. Of these, 19 companies were represented by top-level management, including chief executive officers, chief operations officers, general managers and presidents.
- EGTA assisted Abhishek Jain, the venture capitalist, schedule individual meetings with 29 companies who submitted their filled-out questionnaires. The one-on-one meetings and completed questionnaires were Mr. Jain's basis for choosing 10-15 companies who will be included in Phase 2 of the IBL Program, which is essentially a business linkages tour of the U.S.
- The International Business Linkage Program workshop ended with a closing seminar on February 10. Abhishek Jain announced the software development and wireless application companies who will join the second phase of the IBL program. The companies include:
 1. Jupiter
 2. SQL Wizard
 3. Radix
 4. ITS International
 5. Systema
 6. Q-Linux and Open S2 (joint venture)
 7. Leverage
 8. We Serv
 9. 25 by 8
 10. Computer Professionals

PLANS FOR THE 2ND QUARTER 2004

- EGTA assistance in this area ended in February 2004.

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POLICY OUTCOME 2.2 TRADE AND AGRICULTURE COMPETITION INCREASED

Results Package 2.2.b. Biotechnology Exploited Safely

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.

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. 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 1ST QUARTER 2004

The first quarter of 2004 served as the last of the formal activity periods under EGTA Biotechnology and capped the successful partnership among government agencies and the Project in carrying out the technical assistance requested by government for the safe and responsible use of modern biotechnology in the Philippines as tool to achieve national development goals. Objectives set in some of technical areas have not yet been fully achieved, particularly due to time limitations with the assistance provided the Bureau of Food and Drugs in the issuance of guidelines for GM-derived processed foods. Likewise, the need for continuous institutional capacity building and updating of regulatory development especially for the Department of Agriculture and BFAD meant that work is still needed in these areas of biotechnology policy and regulations. But the technical assistance provided by the Project helped set in place a science-based, robust, and transparent framework for biotechnology regulations in the country that is now a model for other developing countries.

Government's IEC Program on Biotechnology implemented effectively until March 2004.

- Coordinated with various institutions in the conduct of public fora and seminars on modern biotechnology. In particular, the following IEC-related activities were conducted with the following institutions:
1. Public Seminar on Modern Biotechnology with the Ateneo College of Science, held at the Ateneo de Manila Auditorium on February 10;
 2. Public Forum on Agricultural Biotechnology, the Cartagena Protocol on Biosafety, and the World Trade Organization, held on March 05 at the University of the Philippines College of Public Health Auditorium, with the Department of Agriculture, International Rice Research Institute (IRRI) and the Institute of Biotechnology and Molecular Biology (IBMB) of UP Manila; and
 3. Roundtable Discussion on the National Biosafety Framework with the National Academy of Science and Technology (NAST), conducted at the Department of Science and Technology (DOST) compound in Taguig, on March 09.

- In coordination with private sector stakeholders, fifteen thousand (15,000) pieces of brochures on explaining modern biotechnology and its applications in agriculture, the environment, health, and industry were printed and distributed to selected schools, media firms, local government units, and non-government organizations.

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 2004.

- Assisted the DA in the formation and initial training of its Regional Teams for (a) Field Test Monitoring and (b) IRM Monitoring. A series of consultative meetings were held in Los Baños and Manila among the different DA agencies concerned. The training for the Field Test Monitoring Teams were conducted during the second and third weeks of March, while those for the IRM Monitoring Teams are slated on the last week of April and the first weeks of May. The DA is currently formulating implementation protocols for field-testing and IRM monitoring based on these series of training workshops.
- Assisted the DA conduct consultative meetings and a scientific conference on the issue of gene stacking or the regulation of bioengineered crops with multiple GM traits. The scientific conference was held on March 17 at the National Agriculture and Fisheries Council (NAFC) Conference Hall, with Dr. Kevin Eke as main resource person. As a result of these activities, a preliminary consensus among government regulators and scientists were arrived at that: (a) gene stacks will be dealt with on a case-by-case basis as opposed to requiring a specific approval process; (b) stacks when introduced through conventional breeding are not to be considered as a new transformation event; (c) evaluation and risk assessment of multiple traits will focus on interactions; and (d) an element of desk top evaluation will be done to define if any interaction is likely before further data is requested from the technology developer.
- Coordinated with the DA for the proposed series of seminar-workshops on biosafety risk assessment for Round-up Ready corn (RR corn, or GM corn engineered to be resistant to the environmentally friendly herbicide, glyphosate), the next expected GM crop to be applied for commercial permit in the country. The proposed activities will be conducted on July and August 2004 for the Bureau of Plant Industry, Bureau of Animal Industry, Fertilizer and Pesticide Authority, and Bureau of Agriculture and Fisheries Product Standards. Technical assistance will be explored from other funding agencies.
- Continued exploring sources of technical assistance (particularly from the International Life Science Institute or ILSI, the Japanese agency SEAMIC, and UNIDO) to help the DA and BFAD conduct capacity-building measures on (a) compliance monitoring for field testing; (b) implementation of the adopted IRM strategy; (c) testing and analysis of GMO-derived food products; and (d) risk assessment for locally developed GM plants and plant products; e.g. delayed ripening papaya and bacterial blight-resistant rice.

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.

- With the issuance of DA-Memorandum Circular 8 (MC#8) on the "Approval Registry for the Importation of Regulated Articles for Direct Use as Food, Feed, or Processing" on December

22, 2003, which lists the GM crops approved for commercial importation in the Philippines after undergoing stringent risk assessment on their safety to humans and animals, the DA is set to implement this new import regulations. Following consultations with private holder stakeholders and government regulators, the implementation guidelines were further simplified so as not to involve other agencies outside of the DA (e.g., Bureau of Customs). The Bureau of Plant Industry and the Plant Quarantine Service had a 3-day training during the first week of March to familiarize themselves with their new roles under MC#8. A final meeting with the private sector stakeholders (members of the food chamber, feed millers, grain traders, technology developers) will be held on April 20 prior the actual implementation of the DA circular on May 15 of this year.

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

- ❑ Distributed to concerned government agencies (i.e., BFAD, DA regulatory agencies, and the Department of Trade and Industry) the final draft of the technical study on the cost implication of GM food labeling. Prior to this, a series of policy briefing was conducted for these agencies (February 02 for DA and DTI; February 18 for BFAD and DOH; and February 20 for private sector stakeholders) to apprise them of the highlights of the study; i.e. that a mandatory GM labeling standard for biotech-derived food would increase manufacturing costs of affected food products by 11% to 12%, which will have material socio-economic implications to Filipino farmers, food manufacturers, retailers, consumers, and government. After being subjected to final editing, some one hundred copies of the study are currently being printed and an electronic file is being prepared in PDF format for public consumption.
- ❑ Submitted to BFAD the final draft of their guidelines on GMO-derived processed food, which the Project reviewed after the initial drafting of said guidelines by the Bureau. The guidelines are currently being circulated among concerned offices within BFAD and the Department of Health for their comments prior consultation with other government agencies, the food industry, and the general public; and its eventual issuance as a Bureau Order by the BFAD Director.

PLANS FOR THE 2ND QUARTER 2004

- ❑ EGTA's assistance in this area ended in March 2004.

Results Package 2.2.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, EGTA supports initiatives to develop a more stable policy and legal framework for such protection.

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, 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 1ST QUARTER 2004

Optical Media Law Passed

- ❑ President Gloria Macapagal-Arroyo signed into law R.A. 9239 or the Optical Media Law on February 10, 2004. This culminated nearly three years of work of private and government stakeholders aimed at strengthening the regulatory powers of the Videogram Regulatory Board to end optical media piracy in the country. EGTA had provided assistance to the Intellectual Property Office and private stakeholders under the IPO's IP-REAP aimed at getting this law enacted.

Salient Features of the Optical Media Law

- ❑ The Optical Media Law provides for a number of important measures that will effectively regulate the optical media industry. Among the features include the reorganization of the Video Regulatory Board into the Optical Media Board and the affixing of a Source Identification (SID) Code into each and every optical media product. The absence of an SID or the existence of an unauthorized and/or tampered code is now basis for seizure and prosecution⁴.
- ❑ Implementing regulations are currently drafted by the Videogram Regulatory Board.

Handbook on enforcement procedures for IP cases developed by January 2004.

- ❑ The Handbook on Investigation of IP Cases was finalized and published for distribution to the prosecutors and law enforcement personnel involved in IPR protection. The Handbook contains detailed procedural aspects of investigation, enforcement operations and prosecution of cases dealing with IP violations. It is a step-by-step, on-the-spot guide or reference material of how enforcement officers should conduct operations and the preparation of evidences and documentation.

Judges, prosecutors and law enforcement personnel trained on the handbook on enforcement procedures by June 2004.

- ❑ The Handbook on Investigation of IP Cases was presented to state prosecutors of the Department of Justice (DOJ), law enforcement and investigation agents involved in IPR protection such as the Bureau of Customs (BOC), the Optical Media Board (OMB), the National Telecommunications and Communications (NTC) and members of the private sector on March 26, 2004 in a seminar-workshop that tackled the contents of the handbook as well as the proposed checklist forms for investigation.
- ❑ A total of 85 participants from the agencies attended the event. The participants were given case exercises that would help them improve and strengthen their investigative capabilities and

⁴ For more detailed information on the salient features of the new Optical Media Law please refer to Annex 6.

develop a better system of enforcement procedures so agents can perform their functions more systematically, eliminating any possibilities of committing crucial evidences during enforcement operations.

Database for the border enforcement of the IP Code developed by March 2004: BOC intellectual property unit institutionalized and staff trained by December of 2003.

- The EGTA team worked closely with the BOC IP Unit in developing a management information system where details of the IP owners' trademarks, patents, and copyrights as well as other import/export registration information requirements will be stored. This will assist BOC in monitoring goods at the border and on a post entry basis.
- The EGTA team ensured that the web-enabled database would be useful, timely, and easily understood by its users, particularly those IPR enforcement agents stationed at the outports (Cebu, Davao, Subic, Clark, NAIA, Manila International Container Port, and Southern Luzon). The EGTA team presented the first design of the prototype early this quarter and underwent several iterations based on the comments and recommendations of the BOC IP Unit. The system was installed and operationalized at the BOC IP Unit at the end of this quarter.

Description of the IP Database.

- The IP Database is an information storage and retrieval system consisting of three distinct databases for recordation, complaints, and infringement case. The IPU may eventually call the IP Database a unique name such as *Tracer* for the U.S. Customs and Border Protection.
- The *recordation database* is a compilation of information disclosed by the IP owner who registers with the IPU. A recordation form was developed and made user friendly. The IP owner has to submit a signed hardcopy of an accomplished recordation form. A staff of the IPU enters the information into the recordation database.
- In general, the *recordation database* contains information on the IPR (trademark or copyright), the product(s) which embodies the IPR, the suppliers, importers, brokers, distributors in the domestic market, and their warehouses where these products are to be stored after the imported cargo would have been released by the Bureau.
- The *complaints database* comprises information on general complaints regarding IPR infringement, tips, and intelligence information. This is a knowledge pool that IPU staff can use in risk profiling either for building up an IPR infringement case or to create an IPR selectivity filter of the Bureau's selectivity module. IP stakeholders, the IPU staff, or any of the Bureau's staff may populate this database if they are given access to the IP Database. If the source of information does not have access, the IPU staff at the head office can encode the information that is provided to them by the source either by a letter, text message, or by other means of communications. The information stored has a date, identifies the producer of the information (if this is possible), and the staff who entered the information into the database. These pieces of information in the knowledge pool are searchable.
- The *infringement case database* is a set of suspected infringing importations. There is an import entry declaration number attached to it. By design, these specific cases may be built from a very

reliable information about a particular shipment of a specific IPR infringing product, coming from a certain country or importer.

- ❑ The IP Database is a computer package that allows its user:
 - ⇒ to *populate* the database with recordation information about the IPR, complaints, and infringement case events;
 - ⇒ to *query* or mine the **knowledge pool** of information in the IP database;
 - ⇒ to develop a **selectivity screen** for IPR related issues.
 - ⇒ to prepare management information system (MIS) type reports; and
 - ⇒ to administer the database.

- ❑ The IP Database is a web-based system with a LAN at the central office of the IPU. EGTA provided limited hardware to the Bureau including a one-year subscription to the Internet to get the system going. Its URL is the same as the website of the Bureau's Intelligence and Enforcement Group.

- ❑ The Operations Manual outlining the various roles of the IP Unit as well as its systems and procedures was also completed. At the suggestion of the BOC, the manual will be encapsulated in a Customs Memorandum Order to be issued by the Commissioner to the Bureau as a whole.

- ❑ EGTA also provided training to the officers and staff of the IP Unit on the database. A Training (User's Guide) Manual was also provided to the IP Unit as a quick reference material for future training use.

PLANS FOR THE 2ND QUARTER 2004

- ❑ No further plans. Assistance in this area ended during the quarter.

ACHIEVEMENTS As per Work Statement (June 2003-June 2004 ⁵)	STATUS
Policy Result 2.1.b Increased Competition in Telecommunications	
<ul style="list-style-type: none"> <input type="checkbox"/> NTC draft rules for the introduction and use of Voice Over Internet Protocol (VOIP) prepared by October 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Assistance completed.
Policy Result 2.1.c E-Commerce & Information and Communications Technology (ICT) Developed	
<ul style="list-style-type: none"> <input type="checkbox"/> Executive order establishing a commission on ICT by September 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Accomplished. Pres. Arroyo signed EO 269 on January 12, 2004.
<ul style="list-style-type: none"> <input type="checkbox"/> Draft legislation on Cybercrime by December 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Assistance completed.
<ul style="list-style-type: none"> <input type="checkbox"/> Capability Maturity Model (CMM) certification of six globally competitive software firms by March 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Assistance completed.
Policy Result 2.2.b Biotechnology Exploited Safely	
<ul style="list-style-type: none"> <input type="checkbox"/> Government's information education campaign program on biotechnology implemented effectively until March 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> The Department of Agriculture and its four regulatory agencies responsible for enforcing AO No. 8 have sufficient institutional capacity to regulate plants and plant products derived from modern biotechnology by March 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> List of regulated articles for direct use as food or feed or for processing approved by the Bureau of Plant Industry by December 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> Bureau of Food and Drugs (BFAD)- Department of Health guidelines on processed biotech food products (including guidelines on GM food labeling) issued by March 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Submitted the final draft of the guidelines on GMO-derived processed food to BFAD.
Policy Result 2.3.c Intellectual Property Rights Protected	
<ul style="list-style-type: none"> <input type="checkbox"/> Conduct a media campaign or awareness building activities on IPRs, the IP code, and the importance of helping enforce the IP code by June 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> Handbook on enforcement procedures for IP cases developed by January 2004. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> Database for border enforcement of the IP Code developed by March 2004; BOC intellectual property unit institutionalized and staff trained by December 2003. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed.
<ul style="list-style-type: none"> <input type="checkbox"/> Legislation of OMB bill. 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Completed. Pres. Arroyo signed the Optical Media Law on February 10, 2004.

⁵ The Key Expected Accomplishments (KEAs) were modified in June 2003. See attached list of KEAs.

3. ACTIVITY MANAGEMENT

EGTA's project management and administration components provided a wide-range of support, guidance and oversight to the task order activities. In the first quarter of 2004, this support included the following:

Phase-out of EGTA Technical Assistance Activities

At the end of the fourth quarter of 2003, EGTA technical assistance was curtailed or closed entirely in a number of areas including capital markets, revenue administration, customs, ports, and agriculture marketing. The closure of these activities as well as the ending of EGTA support during the first quarter of 2004 in e-commerce, information technology, biotechnology, and commercial law has had a resultant impact upon overall EGTA project management. The first quarter of 2004 witnessed a reduction in the number of administrative support staff supporting EGTA activities and a consolidation of office space from three to two floors in the Strata 2000 Building located on Emerald Avenue in Ortigas Centre. Meanwhile, a reduced number of Core support staff remained employed in the Administrative, Conference and Training, Human Resources, Finance, and Publication Units. The focus of these Units in the first quarter 2004 included not only providing support for ongoing EGTA activities but also initial preparation for the project closedown period in May and June 2004.

EGTA Contract Modification Number 19

In March 2004, DAI and USAID agreed to incorporate Amendment Number 19 into the EGTA contract (Contract No. 492 C 00 98-00018-00). Amendment Number 19 reduced the total reduced the total contract value to \$35,256,950.63, which included \$7,010,689.85 for the Core Budget, \$450,000 for Program Research, and \$27,796,260.78 in the Task Order Budget. The end date of the EGTA Contract was revised to June 30, 2004 from September 30, 2004. DAI remains confident that we can still accomplish many of the objectives outlined in the EGTA Work Statement that was approved at the September 9, 2003 Steering Committee meeting.

DAI had earlier proposed additional measures that would ensure remaining obligated funds under EGTA can be maximized. These steps included the pre-termination or non-renewal of contracts for a number of short and long term consultants. In addition, DAI proceeded in the first quarter 2004 with the utilization of Independent Consultants whenever possible. These Independent Contractors were engaged for a fixed term or the completion of a specific work product. As part of the new policy on the use of independent consultant for short-term assignment, no individual assignment exceeded 120 person-days. Access to support services was limited to the scope of the individual's agreement with DAI and was coordinated through project staff. Because DAI no longer applied fringe benefits and overhead to independent consultants on EGTA as if they were direct labor subject to the contract's 2.127 multiplier, the increased use of independent consultants on EGTA results in a cost saving to the U.S. Government that effectively reduced the "unit price" of technical assistance on EGTA. This action has allowed EGTA to employ as close to as possible the level of labor resources envisioned in the previously approved budget, thereby meeting the technical assistance needs of our government counterparts and furthering the development objectives of USAID in the Philippines.

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

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 RELATED MATTERS

Presentation/Workshop Materials

United Nations Conference on Trade and Development	February 1999
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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	December 08, 1999
Analysis of the Retail Trade Liberalization Law	March 15, 2000
Retail Trade Liberalization Study	March 27, 2000

Annexure

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
TCR 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
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)

~~CONFIDENTIAL~~

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 Primers/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 06, 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

Policy Primers/Briefs/Memorandum

Follow-Up on the Notion that Rehabilitation is an Investment	July 1999
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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

Monitored Reports

<i>The Revised AGILE Life of Contract WorkPlan: 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 WorkPlan: 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

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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
Quarterly Performance Monitoring Report (April to June 2002)	August 07, 2002
Quarterly Performance Monitoring Report (July to September 2002)	October 30, 2002
Quarterly Performance Monitoring Report (October to December 2002)	January 01, 2003
Quarterly Performance Monitoring Report (January to March 2003)	April 30, 2003

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	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
Monthly Activity Report	September 2001
Monthly Activity Report	October 2001
Monthly Activity Report	November 2001

Monthly Activity Report	December 2001
Monthly Activity Report	January 2002
Monthly Activity Report	February 2002
Monthly Activity Report	March 2002
Monthly Activity Report	April 2002
Monthly Activity Report	May 2002
Monthly Activity Report	June 2002
Monthly Activity Report	July 2002
Monthly Activity Report	August 2002
Monthly Activity Report	September 2002
Monthly Activity Report	October 2002
Monthly Activity Report	November 2002
Monthly Activity Report	December 2002
Monthly Activity Report	January 2003
Monthly Activity Report	February 2003
Monthly Activity Report	March 2003
Monthly Activity Report	April 2003
Monthly Activity Report	May 2003
Monthly Activity Report	June 2003
Monthly Monitoring of Philippine Economic Performance within the SO2 Framework	September 1999
Monthly Monitoring of Philippine Economic Performance within the SO2 Framework	January 2000
Monthly Monitoring of Philippine Economic Performance within the SO2 Framework	February 2000
Monthly Monitoring of Philippine Economic Performance within the SO2 Framework	March 2000
Monthly Monitoring of Philippine Economic Performance within the SO2 Framework	May 2000
AGILE Policy Reform Monitoring Report	August 2002

OTHERS-ADDITIONAL-REPORT

A Preliminary Inquiry on Child Labor in the Philippines	August 1999
An Explanatory Analysis of the Labor Force in the Philippines	August 1999
AGILE Brochure	
NEDA Guidelines IRR on the Procurement of Consulting Services for Government Projects	July 2001
Benefits of Agricultural Biotechnology	July 2001
Speed limits on RA8794 Implementation: An assessment of the Implementation of the RUC Law	November 2001
Foundation for Economic Freedom, Inc. Program Description	November 2001
Inter-Agency Workshop on the Implementing Rules & Regulations (IRR) of EO 40 Ridge Resort & Convention Center, Tagaytay City	December 7-8, 2001
Draft Implementing Rules & Regulations for Executive Order No. 40, Series of 2001	December 7-8, 2001
PPB-INFRACOM Meeting	
Civil Forum on the Anti-Money Laundering Law & Its Proposed IRR, Astoria Plaza	December 11, 2001
Forum on the Anti-Money Laundering Law & Implementing Rules & Regulations	November 08, 2001
BIR Strategic Planning Workshop: A Compilation Training Center	Nov. 21-24, 2001
Draft of IRR on Accelerated Depreciation (Soft copy only, no electronic copy)	Nov. 21-24, 2001
BOT/PSP Projects Risk Guarantee Matrixes Contingent Liabilities 2	Dec. 28, 2002
Laws, Rules of Procedure, Implementing Regulations and Administrative Circulars Affecting the RTC's that have been Designated as Commercial Courts Compiled and Edited by: Atty. Cheselden George Carmona	January 2002
Housing Finance and Mortgage Securitization Current Global Practices Compiled and Presented by: Alicia Malecka	January 2002
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
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 Presentations by: Graham Scott and Commissioner Rene Bañez	June 2002
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 End of March 2004

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
EGTA HEADQUARTERS				
Core Project Management and Administration				
Chair of Party	Ramon Clarate	792	653	139
Managing Director	David Tardif-Douglas	792	653	139
Project Administrator	Kevin Donahue	308	178	130
Senior Office Manager	Mantess Aves	195	153	42
Executive Assistant	Micos Aldave	195	153	42
Senior Project Associate	Heather Rome	107	19.72	87.28
Accounting and Finance Unit				
Senior Project Accountant	Imma Cortero	195	153	42
Assistant Project Accountant	Cora Calanacan	195	151	44
Site Office Finance Specialist	Carito Magrabe	195	153	42
Financial Assistant	Arlene Babiera	194	163	31
Financial Assistant (STTA)	Rosema Magaso	157.2	171.1	-13.9
Human Resources				
Human Resources Manager	Bernardo Fernandez	195	153	42
Personnel Officer	Munei Toledo	220	153	67
Policy Advocacy Unit				
Legislative Monitoring Specialist	Maya Cu-Oduic	379	353	26
Policy Conference and Training Unit				
Training Assistant	Annaiza Maymot	195	153	42
Performance Monitoring Unit				
Policy Impact Monitoring Specialist	Enrique Lozan	528	499.5	28.5
Performance Monitoring/TAMIS Manager	Tanja Lumba	64.5	38.99	25.51
Publication/Production Unit				
Editor & Head of Publication Unit	Ronaldo Jabal	86	44	22
Production Assistant	Renerita Bacus-Payupay	195	153	42
Production and Presentation Assistant	Arnold Gonzales	195	153	42
Information Technology Unit				
Network Administrator	Gener Daluz	398	343	55
General Office Support				
Receptionist	Gula Janson	195	153	42
Driver	Alfredo Borja	195	153	42
Driver	Carl Scott	542	512	30
Messenger/Utility	Wilfredo Estanislao	195	153	42
Messenger/Utility	Ricky Caampued	195	144	51

LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of End of March 2004

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
Policy Outcome 1.1.A: Commercial Law Strengthened and Enforced				
1.1.a. Capital Markets Performing Better				
Capital Markets Task Manager	Noel Gambo	277	277	0
Financial Markets Specialist	Socorro B. Lerer	22	22	0
Driver	Charlo Sajol	470	453.5	16.5
Messenger/Utility	Melanio Bolga	492	458.98	33.02
1.1.b. Commercial Laws Enforced				
Commercial Law Strengthening Task Mngr	George Garmona	456	363.85	92
Information Technology Specialist on Judicial Reform	Benjamin Santillan	22	19,927.9	2,072.9
Judicial Reform Network Coordinator	Ma. Regina Ilusorio	40	40	0
CA Mediation and Reform Specialist	Andrew Ong	20	20	0
Technical Associate	Ma. Elena Delfin	525	447	78
Workshop Documentation Specialist	Rhuel Andrew Mercado	-	-	0
1.2.b Trade Facilitation, Audit and Risk Management Capacity of BOC Strengthened				
Trade Compliance Specialist	Joel Gueñas	270	270	0
Organizational Assistant	Vincent Reyes	268	268	0
Local Government Financing Improved				
LGU Task Manager	Raymund Fabre	36	35.95	0
Improved Management of Contingent Liabilities				
Financial Analyst I	Leo Xerxes Cimagala	260	260	0
Financial Analyst II	Vina Arsenal	260	260	0
Documentation Assistant	Manolo Santos	260	260	0
Administrative Officer	Josefina Lim	531	531	0
Policy Outcome 1.3 Expenditure Management Strengthened				
1.3.a Bureaucracy More Efficient through Public Expenditure Management (PEM) Techniques and Reengineering				
Financial Economist	Hector Florento	261	261	0
1.3.b. GOP Procurement System More Efficient and Transparent				
Task Manager	Roderika Taduran	260	260	0
Task Manager (STTA)	Roderika Taduran	56	39,245	17
Administrative Officer	Flor Guce	667	644	23
Project Driver	Larry Mabini	667	638.5	29
Expert on the Procurement of Goods	Gledys Cagadoc	88	81	7
Research Assistant	Joselito Cruz	133	110.5	23
Expert on the Procurement Consulting Services	Dipriano Ravanes	24	23.62	0
Expert in Procurement of Infrastructure Projects	Antonio Molano	54	54	0
Writing Assistant	Evangelist Tingson	66	52.93	13
Manual Expert	Benedicto Rayco	16	5	11

LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of End of March 2004

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
1.4.a Money Laundering Reduced				
Bank Supervision Advisor	Francesca Banquet	523	512	11
Procurement Specialist	Jose Luis Sybua	25	18	18
Administrative Officer	Maria Theresa Contreras	399	377.5	22
Driver	Romulo Casasao	152	128	28
1.4.b Bank Supervision Strengthened				
Bank Supervision Advisor	Francesca Banquet	121	110	11
Legal Specialist	Joanne Chan	132	125	7
Administrative Officer	Maria Theresa Contreras	255	273.5	12
1.5.a Reduced Corruption Opportunities				
TL Grp Mngr for Governance & Anti-Corruption	Emil Boiongata	341	296	45
Rule of Law Specialist	Gerard Mosquera	250	245	5
Governance Coordinator	Mercy Ria Orca	280	228.75	32
Policy Research & Management Specialist	Carol Pascual	178	132.75	45
Governance Research Associate	Cheryl Rose Oriza	37	85	22
Trial Advocacy Training Specialist	Rogelio Vinluan	12	10	2
Human Resource & Development Specialist	Ramon T. Salazar	2	2	0
Legal Writing and Case Preparation Specialist	Eugenio Villarta	2	2	0
Customs Integrity Specialist	Edward P. Buenaflo	15	15	0
2.1.a. Increased Competition in Maritime Shipping				
Investment Policy Advisor	Jaime Faustino	113	113.24	0
2.1.b. Increased Competition in Telecommunication				
Investment Policy Advisor	Jaime Faustino	112	111.62	0
Competition Policy Associate	Mary Grace Miranda	118	79	38
Telecommunications Team Leader	Edmundo Ramos	280	180	80
2.1.c.E-Commerce & information and Communications Technology (ICT) Developed				
Investment Policy Advisor	Jaime Faustino	143	111.62	31.2
Competition Policy Associate	Mary Grace Miranda	122	122	0
CMM Expert	Joselyn Capistrano	130	130	0
Cybercrime Policy Analyst	Rudy Quimbo	96	71.75	0
Project Associate	Joel Umali	280	208	52
Policy Outcome 2.2 Trade and Agriculture Competition Increased				
2.2.a. Agriculture Markets Efficient and Equitable				
Administrative Officer	Agilne Bautista	528	410	118
Information System Design	Gerry Gizman	18	8	10
Research Asst.	Farah Gálvez	132	131	1

LISTING OF KEY STAFF BY TECHNICAL AREA
LOE as of End of March 2004

Result/Activity/Position	Name	Approved LOE (days)	Consumed LOE (days)	Remaining LOE (days)
2.2.b. Biotechnology Exploited Safely				
Biotechnology Task Manager	Abraham Manalo	54	58	5
DNA Laboratory Training Specialist	Saturnina Halos	73	64	3
Food & Med. Tech. Specialist	Nina Barzaga	98	86	0
Legal Research Associate	Fe Guilatco	220	215	5
Legal Specialist	Jose Ochave	110	100	10
2.2.d. Intellectual Property Rights Protected				
IPR Task Manager	Edith Joan Nacpil	403	403	0
Optical Disk and Legal Specialist (TL)	Numenano Rodriguez	285	288,2775	0
Administrative Officer	Elsie Menna	260	260	0
Customs/IP Specialist	Loreli de Dios	40	40	0
IT Specialist/System Analyst	Edmund Guermen	40	40	0
Process Engineer	Januano Alwalas	40	40	0
Web Developer	Filomeno Bisococho	40	40	0
Policy Outcome 2.4 Competition Policy Strengthened				
2.1.d. Pro-Competition Policy Institutionalized				
Investment Policy Advisor	Jaime Faustino	88	88.11	0
Increased Competition in Air Transport				
Investment Policy Advisor	Jaime Faustino	105	104.99	0

SUMMARY for the First Quarter 2004

Hired Expat on Board - 3

Hired STTA Technical Staff on Board - 18

Hired LTTA Technical Staff on Board - 3

Hired Administrative Staff on Board - 24

Total No. of Personnel on Board - 48 as of March 31, 2004

ANNEX 3

LIST OF SAF-FUNDED TRAINING, SEMINARS AND WORKSHOPS

**PARTICIPANT TRAINING, SEMINAR-WORKSHOPS AND CONFERENCES FUNDED
FOR THE PERIOD
JANUARY - MARCH 2004 IN SUPPORT OF THE AGILE POLICY RESULTS**

POLICY RESULT	DATE	ACTIVITY	BENEFICIARY AGENCY/PARTICIPANTS	VENUE/COUNTRY
2.2.a. Agricultural Markets More Efficient and Equitable	January 19 – February 6, 2004	Workshop Series on the SPS Information System No. of Participants: 80 pax	Department of Agriculture	ITCAF Bldg., DA Compound, Quezon City
2.2.c. Intellectual Property Rights Protected	January 21, 2004	Workshop on the Intellectual Property Unit's (IPU) Processes and Procedures No. of Participants: 35 pax	Bureau of Customs (BOC), Intellectual Property Office (IPO)	Customs Revenue Information Center Bldg., Port Area, Manila
1.5.b. Anti-Corruption Agencies Made More Effective	January 28 – 30, 2004	Anti-Corruption Summit Workshop of Constitutional Accountability Agencies No. of Participants: 30 pax	Civil Service Commission, Office of the Ombudsman	Anilao, Batangas
1.5.b. Anti-Corruption Agencies Made More Effective	January 25 – 31, 2004	Ombudsman Prosecutor's Trial Advocacy Skills Development Program (2 nd Batch) No. of Participants: 42 pax	Office of the Ombudsman	Holiday Inn, Clark Pampanga
1.5.b. Anti-Corruption Agencies Made More Effective	February 29 – March 5, 2004	Ombudsman Prosecutor's Trial Advocacy Skills Development Program (3 rd Batch) No. of Participants: 45 pax	Office of the Ombudsman	Eugenio Lopez Training Center, Sumulong Highway, Antipolo City
1.5.a. Reduced Corruption Opportunities in High-Risk Agencies	February 27, 2004	DOF Strategic Planning Workshop for the Revenue Integrity Protection Service (RIPS) No. of Participants: 15 pax	Department of Finance	SEAMEO INNOTECH, Quezon City
2.2.c. Intellectual Property Rights Protected	March 26, 2004	Workshop-Seminar on the Handbook on Investigation of IP Cases No. of Participants: 80 pax	Intellectual Property Office	Pan Pacific Hotel, Manila
1.5.b. Anti-Corruption Agencies Made More Effective	March 22 – 26, 2004	Anti-Corruption Investigation Skills Development Program No. of Participants: 70 pax	Office of the Ombudsman	Eugenio Lopez Training Center, Sumulong Highway, Antipolo City
1.5.a. Reduced Corruption Opportunities in High-Risk Agencies	March 29 – April 2, 2004	Financial Investigation Skills Training (FIST) Program No. of Participants: 60 pax	Dept. of Finance (DOF)	AIM ACCEED, Makati City

Participants list is shown in the attachment.

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**WORKSHOP SERIES ON THE SPS INFORMATION SYSTEM
CONFERENCE ROOM, 2ND ITCAF BLDG.
DA COMPOUND, QUEZON CITY
JANUARY 26, 2004**

List of Participants

1. Maria Finesa A. Cosilo	NFA
2. Ronan Gil Q. Lopez	NFA
3. Rowena P. Cervantes	NMIC
4. Zeny C. Cave	NMIC
5. Araceli C. Canteras	NMIC
6. Naomi S.D. Dante	NMIC
7. Cherry Endriga	BFAR
8. Ariel Bayot	BPI-PQS
9. Noemi D. Gesmundo	BPI-PQS
10. Roseller L. Manalo	NMIC-MSID
11. Adelia P. Ang	NMIC-MSID
12. Melody C. Rivera	NMIC-LSD
13. Chalito P. Dizon	PCA
14. Bernadel P. Quinto	BAI-NVQS
15. Calinta C. Berba	BAI-OD
16. Lolita A. Castro	BAI-AFSD
17. Felicisimo Tolentino	BAI-AFSD
18. Evelyn Tan	BPI-NSQCS
19. Emmanuel G. Macaraeg	BPI-NSQCS
20. Ma. Judith b. Rodriguez	PCA-ARC
21. Imelda B. Breganza	DA-ITCAF
22. German T. Yatco	NPAL-BPI
23. Alexander A. Faustino	NPAL-BPI
24. Carmelita D. Pabustan	PCA-PTAL
25. Ma. Celia M. Raqrepo	PCA-PTAL
26. Mark Anthony M. Cierva	NFA
27. Maria V. Abener	VBSS-BAI
28. Oliver Z. Martin	VBSS-BAI
29. Eufrecina L. Estanislao	BAI-AFSD
30. Teddy T. Casunog	DA-ITCAF
31. Norma Z. Granada	PCA
32. Honono C. Flamenco	ITCAF
33. Lara G. Vivas	DA-BAFPS
34. Danny Aguilar	ITCAF
35. Gia Navarro	Iplanet
36. Gerry Gazmen	EGTA-DA
37. Agi Bautista	EGTA-DA

**WORKSHOP SERIES ON THE SPS INFORMATION SYSTEM
CONFERENCE ROOM, 2ND ITCAF BLDG.
DA COMPOUND, QUEZON CITY
JANUARY 27, 2004**

List of Participants

1. Lara G. Vivas	DA-BAFPS
2. German T. Yabog	BPI-NPAL
3. Cherry N. Endriga	BFAR
4. Josephine A. San Pedro	BFAR
5. Felicisimo Tolentino	BAI
6. Lolita A. Castro	BAI
7. Ariel J. Bayot	BPI-PQS
8. Noemi Gesmundo	BPI-PQS
9. Evelyn Tan	BPI-NSQCS
10. Emmanuel G. Macaraeg	BPI-NSQCS
11. Ma. Judith B. Rodriguez	PCA-ARC
12. Chalito P. Dizon	PCA-CO
13. Norma Z. Granada	PCA-PQCRD
14. Melody C. Rivera	NMIC
15. Araceli C. Chanteng	NMIC
16. Zeny O. Cave	NMIC
17. Rowena Guinto	NMIC
18. Naomi Dante	NMIC
19. Roy C. Ferolino	BAI-LSD
20. Oliver Z. Martin	BAI-LSD
21. Ma. Finesa Cosico	NFA
22. Bernadel Quinto	BAI-NVQC
23. Calixta C. Berba	BAI-OD
24. Farah Galvez	EGTA-DA
25. Gla Navarro	Iplanet
26. Agi Bautista	EGTA-DA
27. Gerry Gazmen	EGTA-DA

**WORKSHOP SERIES ON THE SPS INFORMATION SYSTEM
CONFERENCE ROOM, 2ND ITCAF BLDG.
DA COMPOUND, QUEZON CITY
JANUARY 28-30, 2004**

List of Participants

1. Rodolfo N. Panganiban	BAFPS
2. Lara G. Vivas	BAFPS
3. Alexander A. Faustino	BPI
4. German T. Yatco	BPI
5. Evelyn M. Tan	BPI
6. Emmanuel G. Macaraeg	BPI
7. Ariel J. Bayot	BPI
8. Noemi P. Gesmundo	BPI
9. Josephine A. San Pedro	BFAR
10. Cherry N. Endriga	BFAR
11. Roy E. Ferolino	BAI
12. Oliver Z. Martin	BAI
13. Calixta C. Berba	BAI
14. Eufrecina L. Estanislao	BAI
15. Felicisimo A. Tolentino	BAI
16. Ma. Judith B. Rodriguez	PCA
17. Chalito P. Dizon	PCA
18. Norma Z. Granada	PCA
19. Cecilio Penaflor III	PCA
20. Ma. Finesa Cosico	NFA
21. Mark Cierva	NFA
22. Ronan Gil Lopez	NFA
23. Melody C. Rivera	NMIC
24. Araceli C. Canteras	NMIC
25. Zeny Cave	NMIC
26. Rowena Cervantes	NMIC
27. Naomi Dante	NMIC
28. Harold Gray	NMIC
29. Teddy T. Casucog	ITCAF
30. Imelda B. Breganza	ITCAF
31. Lolita A. Castillo	BAI
32. Apollo Domingo	BPI
33. Bernadel P. Quinto	BAI
34. Agi Bautista	EGTA-DA
35. Farah Galvez	EGTA-DA
36. Celia Navarro	Iplanet
37. Gerry Gazmen	EGTA-DA

**WORKSHOP ON THE INTELLECTUAL PROPERTY UNIT'S (IPU)
PROCESSES AND PROCEDURES
BUREAU OF CUSTOMS (BOC) IPO OFFICE
JANUARY 21, 2004**

List of Participants

1. Gina C. German	Port Operations Services
2. Janice O. Dizon	Port Operations Services
3. Aris C. De Guzman	CIIS-NAIA
4. Filomeno E. Biscocho	EGTA
5. Maribel C. Mendoza	IPU-IEG
6. Alfredo Litojun, Jr.	IPU-IEG
7. Recy Rey Balagtas	IPU-IEG
8. Francisco G. Colinares IV	IPU-IEG
9. Jaime F. Aquino, Jr.	IPU-IEG
10. Bienvenido Y. Rubio	CIIS
11. Atty. Rey Roland Bergado	IPU-IEG
12. Januario Aliwalas	EGTA
13. Edmund Guamen	EGTA
14. EJ Nacpil	EGTA
15. Ramon L. Clarete	EGTA
16. Lee de Dios	EGTA
17. Arnold Gonzalez	EGTA
18. Alfredo Borja	EGTA
19. Elsie Merina	EGTA
20. Ray M. Allas	BDC
21. Anju Castigador	IPU
22. Antonio S. Kiok	IPU
23. Jose Petelo	IPU
24. Obel Clerico	MMB
25. Guillermo Suyon Jr.	MSTG
26. Romalino G. Valdez	RCMG

**WORKSHOP SERIES ON THE SPS INFORMATION SYSTEM
CONFERENCE ROOM, 2ND ITCAF BLDG.
DA COMPOUND, QUEZON CITY
FEBRUARY 02-06, 2004**

List of Participants

1. Raphael Henri B. Mundo	SRA
2. Victor Romano	FIDA
3. Max Eward Isada	SRA
4. Marlito C. Cabunos	DA-PRS
5. Ferdinand G. Guatto	CODA
6. Jaimie Kim E. Bayani	CODA
7. Lara G. Vivas	BAFPS
8. Edel M. Dondonilla	FIDA
9. Rudyard S. Balmedilla	FPA
10. Cecile A. Hernandez	FPA
11. Irene C. Pili	BFAD
12. Alano Domingo	BPI
13. Frederick M. Gonzales	FDC
14. Felicisimo Tolentino	BAI
15. Eufrecina L. Estanislao	BA
16. Ariel J. Bayot	BPI-PQS
17. Arlene F. Tanseco	NFA-TRDD
18. Rebecca T. Lacson	BPI-PQS
19. Farah Galvez	ETA-DA
20. Anita T. Angeles	GSDP-PMO
21. Gia Navarro	Iplanet
22. Agi Bautista	EGTA-DA
23. Gerry Gazmen	EGTA-DA
24. Emy S. Molina	DA
25. Gracie Purinan	DA
26. Medardo Rosales	DA
27. Teddy Casucog	DA
28. Gerry Espiritu	DA

WORKSHOP SERIES ON THE SPS INFORMATION SYSTEM
CONFERENCE ROOM, 2ND ITCAF BLDG.
DA COMPOUND, QUEZON CITY
JANUARY 22 – 23, 2004

List of Participants

- | | |
|------------------------------|-----------|
| 1. Josephine A. San Pedro | BFAR |
| 2. Noemi P. Gesmundo | PQS-BPI |
| 3. Ariel J. Bayot | PQS-BPI |
| 4. Ferdinand G. Guatlo | CODA |
| 5. Emmanuel G. Macaraeg, Jr. | BPI-NSQCS |
| 6. Evelyn M. Tan | BPI-NSQCS |
| 7. Alexander A. Faustino | BPI-NPAL |
| 8. Marlito C. Cabuno | DA-PRS |
| 9. Lara G. Vivas | DA-BAFPS |
| 10. Noemi Gabato | DA-ITCAF |
| 11. Imelda B. Gregorio | DA-ITCAF |
| 12. Teddy T. Casuag | DA-ITCAF |
| 13. Rudy S. Balmedilla | FPA |
| 14. Honorio C. Flarena | DA-ITCAF |
| 15. Rodolfo N. Panganiban | BAI-AFSD |
| 16. Eufrencina L. Estanislao | BAI-AFSD |
| 17. Calixto C. Berba | BAI-OD |
| 18. Bernadet R. Quinto | BAI-NVQS |
| 19. Arnold Gray | NMIC |
| 20. Cecilio A. Penafior | SRA |
| 21. Oliver Z. Martin | BAI-VBSS |
| 22. Roy E. Ferolino | BAI-VBSS |
| 23. Remedios G. Abgona | FIDA |
| 24. Victor Romano | FIDA |
| 25. Feliciano A. Tolentino | BA |
| 26. Raphael B. Mundo | SRA |
| 27. Max Edward Isada | SRA |
| 28. Frederick M. Gonzales | NFA-FDC |
| 29. Mark Anthony M. Ciena | NFA-CO |
| 30. Ronan Gil Q. Lopez | NFA-CO |
| 31. Irene C. Pili | BFAD |
| 32. Victor Romano | FIDA-CO |
| 33. Edel M. Dondonilla | FIDA |
| 34. Marlito C. Cabueno | DA-PRS |
| 35. Imelda B. Bregona | DA-ITCAF |
| 36. Cecilio A. Penafior | PCA |

37. Harold Gray
38. Noemi Cabato
39. Gia Navarro
40. Agi Bautista
41. Garry Gazmen
42. Farah Galvez

NMIC
DA-ITCAF
Iplanet
EGTA-DA
EGTA-DA
EGTA-DA

**DOF STRATEGIC PLANNING WORKSHOP FOR THE
REVENUE INTEGRITY PROTECTION SERVICE (RIPS)
SEAMEO INNOVOTECH, QUEZON CITY
FEBRUARY 27, 2004**

List of Participants

- | | |
|-----------------------------|----------|
| 1. Asec. Emmanuel P. Bonoan | DOF |
| 2. Leon L. Acuña | DOF-CMIO |
| 3. Pancho B. Garong | DOF |
| 4. Gundelberto B. Azanza | DOF-CMIO |
| 5. Troy Francis Pizarro | DOF-CMIO |
| 6. Oscar S. Moratin | DOF-CMIO |
| 7. Josefel Gadin | DOF-CMIO |
| 8. Virman J. Sayang-od | DOF-CMIO |
| 9. Neptali Yordan | DOF |
| 10. Joel O. Ignacio | DOF |
| 11. Emil Bolongaita | EGTA |
| 12. Gerard Mosquera | EGTA |
| 13. Roberto Reblora | EGTA |
| 14. Cherly Orata | EGTA |
| 15. Larry Mabini | EGTA |
| 16. Eddie Taganap | EGTA |

ANNEX 4

REVISED AGILE KEY EXPECTED ACCOMPLISHMENTS (KEAs) AND MILESTONES AS OF MAY 2002

REVISED AGILE KEY EXPECTED ACCOMPLISHMENTS (KEAS) AND MILESTONES AS OF JUNE 2003

INTERMEDIATE RESULT 1: INSTITUTIONS, POLICIES AND PRACTICES MADE MORE TRANSPARENT AND ACCOUNTABLE

POLICY OUTCOME 1.1 COMMERCIAL LAW PRACTICES STRENGTHENED AND IMPROVED (SEC, SC, DOD)

Results Package 1.1.a. Capital Markets Better Regulated

- ⇒ Institutional capacity of the SEC is strengthened, particularly in the areas of market surveillance, investigation, and enforcement—including specifically effective follow-up alerts on the AWACS market surveillance system, formal testimony taking techniques, and investigation of fraud cases—by first quarter 2004.
- ⇒ PDSHC and all three of its operating subsidiaries have received the appropriate secondary licenses from the SEC by fourth quarter 2003.
- ⇒ First draft of the SRC Commentary submitted to the SEC by December 2003.

Results Package 1.1.b Improved Efficiency in Adjudication of Commercial Law

- ⇒ Pasay caseload management project implemented significantly reducing delay with respect to newly filed cases by the second quarter 2004.
- ⇒ Court-annexed mediation at the appellate level institutionalized and self-sustaining, resulting in a significant increase in case settlement rate by March 2004.

POLICY OUTCOME 1.3 EXPENDITURE MANAGEMENT STRENGTHENED (BEM, DOD)

Results Package 1.3.b Government Procurement System More Efficient and Transparent

- ⇒ Transparency, efficiency, economy, and decreased discretion of procurement process ensured through the completion and approval of procurement manuals on goods, infrastructure projects, and consulting services by December 2003.

POLICY OUTCOME 1.4 BANKING STRENGTHENED AND MONEY LAUNDERING REDUCED

Results Package 1.4.a Money Laundering Reduced

- ⇒ Completion of the information systems plan by December 2003 and RFI and RFP by April 2004.
- ⇒ Completion of proposal on procurement options and proposed terms of reference by March 2004.
- ⇒ Conduct of raining programs to enhance capability for compliance with regulations.

Results Package 1.4.b Financial Intermediation of Banks Improved

- ⇒ Completion of manual on supervision and examination and supplemental examination procedures manual for trust, fiduciary, and treasury activities by April 2004.
- ⇒ Completed manual on supervision and examination for thrift and rural banks by March 2004.
- ⇒ Conduct training on risk-focused examinations.

POLICY OUTCOME 1.5 PUBLIC SECTOR GOVERNANCE IMPROVED

Results Package 1.5.a Reduced Corruption Opportunities in High-Risk Agencies

- ⇒ Guided integrity development review (IDR) of selected agencies by April 2004.
- ⇒ Integrity problems and reform measures in 3 select agencies identified by April 2004.
- ⇒ Guided integrity assessment of the BOC by December 2003.
- ⇒ Adoption of World Customs Organization (WCO) integrity development program in BOC by June 2004.

Results Package 1.5.b Anti-corruption Agencies Made More Effective

- ⇒ Series of graft prosecutors' training in advance trial advocacy skills by April 2004.
- ⇒ Series of graft investigators trained in fact-finding and research techniques by February 2004.
- ⇒ Medium-term strategic plan of accountability agencies to fight corruption formulated by March 2004.
- ⇒ Select officers and staff of anti-corruption agencies trained in anti-corruption best practices by November 2003.
- ⇒ Improved perceptions of anti-corruption credibility of the Office of the Ombudsman and other accountability agencies by June 2004.
- ⇒ Increased conviction rates in the Sandiganbayan and the regular courts by April 2004.
- ⇒ Increased number of effective investigations of statements of assets, liabilities, and net worth by April 2004.
- ⇒ Policy reform options on asset disclosure, whistleblowing, and gender and corruption drafted by March 2004.

INTERMEDIATE RESULT 2: BARRIERS TO COMPETITION IN INFRASTRUCTURE AND TRADE REMOVED

Results Package 2.1.b Increased Competition in Telecommunications

- ⇒ NTC draft rules for the introduction and use of Voice Over Internet Protocol (VOIP) prepared by October 2003.
- ⇒ Draft rules for transition framework towards cost-based interconnection prepared by December 2003.

POLICY OUTCOME 2.2 TRADE AND AGRICULTURE COMPETITION INCREASED

Results Package 2.2.b Biotechnology Exploited Safely

- ⇒ Government's information education campaign program on biotechnology implemented effectively until March 2004.
- ⇒ The Department of Agriculture and its four regulatory agencies responsible for enforcing AO No. 8 have sufficient institutional capacity to regulate plants and plant products derived from modern biotechnology by March 2004.
- ⇒ List of regulated articles for direct use as food or feed or for processing approved by the Bureau of Plant Industry by December 2003.
- ⇒ Bureau of Food and Drugs (BFAD)- Department of Health guidelines on processed biotech food products (including guidelines on GM food labeling) issued by March 2004.

Results Package 2.2.c Intellectual Property Rights Protected

- ⇒ Conduct a media campaign or awareness building activities on IPRs, the IP code, and the importance of helping enforce the IP code by June 2004.
- ⇒ Handbook on enforcement procedures for IP cases developed by January 2004.

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- ⇒ Database for border enforcement of the IP Code developed by March 2004; BOC intellectual property unit institutionalized and staff trained by December 2003.
- ⇒ Legislation of OMB bill.

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ANNEX 5

FINANCIAL REMAINING SHEET

1st QUARTERLY REPORT 2004
NOTES TO ACCOMPANY FINANCIAL REMAINING SHEETS

The financial remaining sheets provide the actual expenditures for the months of January, February, & March 2004.

1. Annex 1 is the summary of the total budgeted and obligated amounts versus expenditures as of the end of December 2003, with the basic Core (CPFF), Task Order (T & M), and USAID Program Research as single summary line items.
2. Annex 2 provides the details for the Core or Project Management or the CPFF section -the total quarter's expenditures with cumulatives from 1998.
3. Annex 3 provides a more detailed insight into the individual budgets and expenditures of each AGILE activity which date back from inception. These sheets list the USAID-approved budgets for the Task Order activities.

Under the T & M, the activities are categorized into four parts:

- Budgeted and actual expenditures incurred from inception on June 1, 1998 through March 31, 1999 based on the **original workplan**.
 - Budgeted and actual expenditures from April 1, 1999 through September 30, 2001 under the **revised workplan** with some costs added to the old activities which were incurred during the extension period after September 30, 2001.
 - Actual expenditures on the new activities' budget for the **extension period** through July 31, 2003.
 - Actual expenditures on the new activities' budget under the **EGTA** from January to March 2004.
4. Annex 4. USAID recently increased the obligated amount under the USAID Program Research to \$450,0000. This was indicated in Contract Modification No. 19. To date, actual expenditures total \$ 438,723.
 5. Total EGTA obligated amount is \$35,256,950, of which **98.16%** is expended as of March 31, 2004.

Annex 1

SUMMARY OF OBLIGATIONS VS. EXPENDITURES

DEVELOPMENT ALTERNATIVES, INC.
 PHILIPPINES EGTA
 PROJECT NO: 4075-050
 CONTRACT # 492-C-00-98-00018

REPORTING PERIOD: January 1 to March 31, 2004
 SUBMISSION NO: 23
 SUBMISSION DATE: April 23, 2004

	<u>BUDGETED</u>	<u>OBLIGATED</u>	<u>EXPENDED</u>	<u>REMAINING</u>	<u>Percentage Expended Over Obligated</u>
CORE (CPFF)	\$ 7,010,690	\$ 7,010,689.85	\$ 6,133,406.48	\$ 877,283.37	87.49%
Task Order (T&M Tasks)	27,796,260.78	\$27,796,260.78	\$ 28,037,040.67	\$ (240,779.89)	100.87%
USAID Program Research	450,000.00	\$ 450,000.00	\$ 438,722.63	\$ 11,277.37	97.49%
TOTAL	\$ 35,256,950.63	\$35,256,950.63	\$ 34,609,169.79	\$ 647,780.84	98.16%

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FINANCIAL REPORT FOR AGILE CORE (CPFF)

DEVELOPMENT ALTERNATIVES, INC. (CORE)
PHILIPPINES EGTA
PROJECT NO: 4075-050
CONTRACT # 492-C-00-98-00018

REPORTING PERIOD: January 1 to March 31, 2004
SUBMISSION NO: 23
SUBMISSION DATE: April 23, 2004

CORE CATEGORY	BUDGET	INCEPTION TO LAST REPORTED PERIOD	Actual Jan	Actual Feb	Actual Mar	TOTAL FOR THE QUARTER	PERCENT OF BUDGET EXPENDED		REMAINING	PERCENT OF BUDGET EXPENDED
							THIS PERIOD	CUMULATIVE		
SALARIES & WAGES	\$ 1,509,749	1,397,778.84	21,439.33	19,335.37	19,644.84	80,419.84	60,419.84	1,458,198.18	51,880.98	98.50%
FRINGE BENEFITS	290,883	331,970.30	7,505.77	7,552.40	7,873.31	22,731.48	22,731.48	354,701.78	(84,008.87)	122.02%
OVERHEAD	980,840	783,188.31	13,213.44	12,274.27	12,470.78	37,958.49	37,958.49	821,124.80	189,814.78	83.71%
TRAVEL/TRANS/PER DIEM	120,425	104,833.35	2,330.51	39.80		2,370.11	2,370.11	107,003.46	13,421.89	88.85%
ALLOWANCES/POST	772,538	589,882.04	16,928.53	3,038.58	(648.74)	19,318.36	19,318.36	589,198.40	183,339.34	76.27%
OTHER DIRECT COSTS/FICA	1,950,854	1,855,028.71		13,113.17	26,534.83	48,647.80	48,647.80	1,893,678.61	357,277.07	81.56%
SUBCONTRACTORS	524,091	434,024.14						434,024.14	90,066.71	82.81%
SUBTOTAL	\$ 6,149,389	5,178,483.39	61,415.58	55,353.37	64,674.93	181,443.88	181,443.88	5,357,927.27	791,461.86	87.13%
G & A @ 8.2 %	480,439	424,073.80	6,065.21	4,583.28	5,356.08	15,023.56	15,023.56	439,097.35	41,341.65	91.40%
SUBTOTAL	\$ 6,629,828	5,600,557.19	66,600.79	59,936.63	70,030.01	196,467.43	196,467.43	5,797,024.62	832,803.61	87.44%
CLIN 0002-GRANTS	-	-	-	-	-	-	-	-	-	0.00%
SUBTOTAL	\$ 6,629,828	5,600,557.19	66,600.79	59,936.63	70,030.01	196,467.43	196,467.43	5,797,024.62	832,803.61	87.44%
GRANT FEE (only on SAF)										0.00%
SUBCONTRACTS FEE	14,517	11,804.14						11,804.14	2,713.17	81.31%
FIXED FEE @ 6%	366,344	312,789.67	3,960.05	3,595.20	4,201.80	11,756.05	11,756.05	324,577.72	41,766.82	88.80%
TOTAL CORE	\$ 7,010,890	\$ 5,925,151.01	\$ 70,491	\$ 63,533	\$ 74,231.82	\$ 208,255	208,255.48	6,133,408.48	877,283.30	87.46%

FINANCIAL REPORT FOR TASK ORDER (T & M)

DEVELOPMENT ALTERNATIVES, INC.
PHILIPPINES EGTA
CONTRACT NO # 492-C-00-88-00018

REPORTING PERIOD:
SUBMISSION NO:
SUBMISSION DATE:

October 1 to December 31, 2004
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January 23, 2004

CATEGORY	BUDGET AMOUNT	INCEPTION TO LAST REPORTED PERIOD	Actual Jan	Actual Feb	Actual Mar	TOTAL FOR THE QUARTER	THIS PERIOD	CUMULATIVE AMOUNT	REMAINING AMOUNT	PERCENT OF BUDGET EXPENDED
Task Order Thru 3/31/00										
1. LABOR	448,317	448,317						448,317	-	100.00%
2. MATERIAL COSTS										
Travel/Per diem/Allowance	55,311	55,311						55,311	-	100.00%
ODCs	111,533	111,533						111,533	-	100.00%
Subtotal (non-labor)	166,844	166,844						166,844	-	100.00%
3. G & A on materials	13,681	13,681						13,681	-	100.00%
4. GRANTS & FEES										0.00%
5. TOTAL	638,942	638,942						638,942	-	100.00%
Task Order Total From 4/1/00 Thru 6/30/01 plus additional expenditures during extension										
1. LABOR	9,103,058	9,103,058						9,103,058	-	100.00%
2. MATERIAL COSTS										
Travel/Per diem/Allowance	1,176,183	1,176,183						1,176,183	-	100.00%
ODCs	2,903,435	2,903,435						2,903,435	-	100.00%
SUBS	45,678	45,678						45,678	-	100.00%
Subtotal (non-labor)	4,125,296	4,125,296						4,125,296	-	100.00%
3. G & A on materials	346,410	346,410						346,410	-	100.00%
4. GRANTS	375,098	375,098						375,098	-	100.00%
5. GRANT FEES										0.00%
6. TOTAL	13,948,863	13,948,863						13,948,863	-	100.00%
Total on Extension, Oct 01, 2001 thru July 31, 2003 with RCA adjustments										
1. LABOR	7,394,997	7,394,997						7,394,997	-	100.00%
2. MATERIAL COSTS										
Travel/Per diem/Allowance	848,790	848,790						848,790	-	100.00%
ODCs	1,150,085	1,150,085						1,150,085	-	100.00%
SUBS	617,559	617,559						617,559	-	100.00%
Subtotal (non-labor)	2,416,445	2,416,445						2,416,445	-	100.00%
3. G & A on materials	198,980	198,980						198,980	-	100.00%
4. GRANTS	235,955	235,955						235,955	-	100.00%
5. GRANT FEES										0.00%
6. TOTAL	10,248,377	10,248,377						10,248,377	-	100.00%
Total on EGTA, Aug 2003 to current (Thru June 30, 2004)										
1. LABOR	1,800,026	1,584,542	143,169	102,734	380,656	636,559	636,559	2,231,102	(428,076)	123.60%
2. MATERIAL COSTS										
Travel/Per diem/Allowance	251,867	97,329	21,850	33,045	9,578	63,473	63,473	160,802	90,885	63.89%
ODCs	743,018	388,935	81,929	94,050	93,597	399,576	239,576	908,510	138,507	81.69%
SUBS	70,490	32,317	-	-	95,234	65,224	65,224	117,541	(47,051)	168.73%
Subtotal (non-labor)	1,065,375	518,581	103,778	97,095	187,400	368,273	368,273	886,853	180,322	83.10%
3. G & A on materials	88,411	42,936	8,593	8,039	13,861	30,493	30,493	73,429	14,982	83.05%
4. GRANTS	9,567	7,087	9,014	-	1,475	12,488	12,488	19,575	(10,008)	204.62%
5. GRANT FEES		(248,122)	-	-	-	143,582	143,582	(102,580)	102,580	0.00%
6. TOTAL	2,978,178	1,917,823.42	264,584.09	207,868.25	575,399.53	1,181,375	1,181,375	3,188,388	(138,229)	164.69%
EGTA										
4075-801 1.1.a. Capital Markets Regulated										
1. LABOR	258,403	98,776	9,364	6,158	328,194	343,737	343,737	442,513	-	
2. MATERIAL COSTS										
Travel/Per diem/Allowance	5,102	2,174	1,410	-	17	1,427	1,427	3,801	-	
ODCs	5,329	15,198	4,163	1,125	1,708	6,994	6,994	22,151	-	
SUBS	5,116	-	-	-	37,256	37,256	37,256	37,256	-	
Subtotal (non-labor)	15,547	17,330	5,573	1,125	38,980	45,677	45,677	63,008	-	
3. G & A on materials	1,287.28	1,434.96	481.41	93.17	3,227.51	3,782	3,782.09	5,217	-	
4. GRANT (Former SAF)										
5. GRANT FEES		(16,278)	-	-	-	-	-	(16,278)	-	
6. TOTAL	275,238	117,542	15,418	7,377	370,401	383,198	383,198	510,738	-	
4075-802 1.1.b. Commercial law improved										
1. LABOR	116,100	113,288	11,199	6,503	6,083	23,784	23,784	137,062	-	
2. MATERIAL COSTS										
Travel/Per diem/Allowance	-	385	-	-	-	-	-	385	-	
ODCs	153,257	77,134	3,480	4,539	11,777	19,795	19,795	98,929	-	
SUBS	-	8,185	-	-	10,724	10,724	10,724	18,889	-	
Subtotal (non-labor)	153,257	85,694	3,480	4,539	22,501	30,519	30,519	116,213	-	
3. G & A on materials	12,888.71	7,065.47	288.12	375.79	1,863.04	2,527	2,526.95	6,622	-	
4. GRANTS										
5. GRANT FEES		(16,278)	-	-	-	-	-	(16,278)	-	
6. TOTAL	282,047	206,057	14,967	11,417	30,446	56,830	56,830	262,867	-	
4075-803 1.2.a. BPR Transparent & Efficient to Revenue										
1. LABOR	177,469	185,317	12,826	184	-	12,991	12,991	198,308	-	
2. MATERIAL COSTS										
Travel/Per diem/Allowance	50,520	33,797	1,351	-	1,388	2,739	2,739	36,536	-	
ODCs	34,356	19,881	4,692	111	692	5,495	5,495	25,376	-	
SUBS	-	14,352	-	-	-	-	-	14,352	-	
Subtotal (non-labor)	84,876	68,030	6,043	111	2,080	8,234	8,234	76,264	-	
3. G & A on materials	7,027.89	5,632.92	500.34	9.18	172.26	682	681.75	8,315	-	
4. GRANTS										
5. GRANT FEES		(16,278)	-	-	-	-	-	(16,278)	-	
6. TOTAL	269,375	258,980	19,370	264	2,253	21,908	21,908	280,887	-	
4075-804 1.2.b. BOC Strengthened										
1. LABOR	230,340	224,714	3,277	-	-	3,277	3,277	227,991	-	
2. MATERIAL COSTS										
Travel/Per diem/Allowance	-	-	-	-	-	-	-	-	-	
ODCs	22,075	5,252	743	77	3,641	4,481	4,481	9,713	-	

CATEGORY	SUBS	BUDGET AMOUNT	INCEPTION TO LAST REPORTED PERIOD			TOTAL FOR THE QUARTER			THIS PERIOD	CUMULATIVE AMOUNT	REMAINING AMOUNT	PERCENT OF BUDGET EXPENDED
			14,429	Actual Jan.	Actual Feb.	Actual Mar.	14,429	14,429				
	Subtotal (non-labor)	22,875	18,891	743	77	1,861	4,481	4,481	24,142			
3.	G & A on materials	1,827.78	1,828.80	51.55	5.38	301.45	389	389.38	1,889			
4.	GRANTS	9,587	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(18,278)	-	-	-	-	-	(18,278)			
6.	TOTAL	203,888	203,894	4,082	31	642	8,187	8,187	204,132			
1-688 1.2.c. Fleet Policy Efforts and Activities												
1.	LABOR	85,847	82,829	7,986	8,914	1,546	7,544	27,544	118,384			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	-	-	-	-	-	-	-	-			
	ODCs	24,188	15,747	4,954	5,229	46	10,930	3,936	28,678			
	SUBS	19,289	-	-	-	-	-	-	-			
	Subtotal (non-labor)	34,488	15,747	4,954	5,229	46	10,930	3,936	28,678			
3.	G & A on materials	2,852.88	3,388.88	1,774.00	1,782.00	1,460	405	405.54	2,389			
4.	GRANTS	-	-	3,014	-	-	-	-	3,014			
5.	GRANT FEES	-	(18,278)	-	-	-	-	-	(18,278)			
6.	TOTAL	123,188	98,891	15,714	15,364	1,592	48,383	48,383	148,284			
1-689 1.3.a. Fleet Technology												
1.	LABOR	5,185	5,772	-	-	-	-	-	5,772			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	-	35	-	-	-	-	-	35			
	ODCs	5,129	5,835	-	-	-	-	-	5,835			
	SUBS	-	-	-	-	-	-	-	-			
	Subtotal (non-labor)	5,129	5,835	-	-	-	-	-	5,835			
3.	G & A on materials	337.30	487.83	1,077	-	-	-	-	487			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(18,278)	-	-	-	-	-	(18,278)			
6.	TOTAL	11,742	12,148	2,154	-	-	-	-	12,148			
1-687 1.3.a. Procurement												
1.	LABOR	14,007	13,943	2,967	2,225	-	-	29	18,894			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	-	-	-	5,624	-	1,624	3,424	9,624			
	ODCs	24,878	8,979	5,090	5,624	864	324	3,924	17,883			
	SUBS	-	-	-	-	-	-	-	-			
	Subtotal (non-labor)	24,878	8,979	5,090	5,624	1,894	1,424	1,424	23,527			
3.	G & A on materials	2,043.31	743.45	419.00	485.57	119.46	-	-	1,888			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(11,284)	-	-	-	-	-	(11,284)			
6.	TOTAL	40,728	23,893	8,346	8,314	1,713	28,844	20,844	44,889			
1-688 1.4.a. Money Laundering Reduced												
1.	LABOR	88,742	88,385	11,808	2,260	3,088	30,484	30,484	88,849			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	32,386	11,844	4,027	678	1,438	6,341	3,341	17,889			
	ODCs	35,291	21,249	3,580	1,208	1,818	5,407	3,407	27,988			
	SUBS	4,759	-	-	-	-	-	-	-			
	Subtotal (non-labor)	82,838	32,894	7,608	1,886	3,256	12,748	12,748	45,877			
3.	G & A on materials	7,870.18	2,723.81	529.91	158.66	289.55	1,258	1,058.52	3,779			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(11,284)	-	-	-	-	-	(11,284)			
6.	TOTAL	179,947	191,873	30,946	11,831	12,811	44,389	44,389	198,391			
1-689 1.4.a. Improved Bank Financial Information												
1.	LABOR	71,884	68,388	13,591	10,800	17,891	42,181	42,181	111,348			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	38,387	3,988	-	2,121	-	2,121	2,121	7,879			
	ODCs	23,489	18,088	2,127	1,540	2,188	5,625	5,625	23,848			
	SUBS	9,008	0	-	-	-	-	-	-			
	Subtotal (non-labor)	80,884	22,076	2,127	3,661	2,188	7,846	7,846	31,727			
3.	G & A on materials	4,888.84	1,888.34	178.18	303.10	178.87	928	888	2,888			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(11,284)	-	-	-	-	-	(11,284)			
6.	TOTAL	136,997	94,879	15,894	14,964	20,877	60,788	58,788	138,788			
1-690 1.4.a. Reduced Competitive Opportunities												
1.	LABOR	138,888	138,894	28,887	28,888	25,843	88,888	88,888	281,488			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	488	14,887	8,328	-	9	6,537	6,537	21,884			
	ODCs	33,887	48,112	8,048	8,182	8,878	23,314	23,314	72,888			
	SUBS	58,329	3,945	-	-	17,344	17,344	17,344	21,888			
	Subtotal (non-labor)	104,702	67,044	14,574	8,182	28,329	47,888	47,888	114,888			
3.	G & A on materials	8,874.28	5,888.18	1,208.75	512.74	2,188.03	3,888	3,889.51	8,388			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(14,888)	-	-	-	-	-	(14,888)			
6.	TOTAL	250,428	299,887	45,688	35,788	54,352	138,788	138,788	348,754			
1-691 1.4.a. Anti-Corruption Agencies												
1.	LABOR	-	-	-	-	-	-	-	-			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	14,884	4,244	778	17,001	4,482	22,288	22,288	38,884			
	ODCs	1,915	4,888	12,588	7,488	24,358	44,414	44,414	48,888			
	SUBS	-	-	-	-	-	-	-	-			
	Subtotal (non-labor)	16,799	9,132	13,366	24,489	28,840	66,702	66,702	75,888			
3.	G & A on materials	1,384.68	784	1,104.84	2,027.82	2,387.96	3,521	3,521	8,288			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(14,888)	-	-	-	-	-	(14,888)			
6.	TOTAL	17,843	9,888	14,471	26,516	31,228	72,888	72,888	88,188			
7-91 2.1.a. Maritime Shipping												
1.	LABOR	48,100	42,470	1,524	8,127	(1,504)	8,087	8,087	48,988			
2.	MATERIAL COSTS	-	-	-	-	-	-	-	-			
	Travel/Per diem/Allowance	23,848	6,288	1,075	182	370	1,347	1,347	7,888			
	ODCs	28,008	12,082	5,100	55	532	3,687	3,687	17,748			
	SUBS	-	-	-	-	-	-	-	-			
	Subtotal (non-labor)	43,857	18,370	6,175	238	902	7,233	7,233	25,636			
3.	G & A on materials	3,812.35	1,517.80	511.27	12.82	74.73	888	888	2,117			
4.	GRANTS	-	-	-	-	-	-	-	-			
5.	GRANT FEES	-	(14,888)	-	-	-	-	-	(14,888)			

BEST AVAILABLE COPY

CATEGORY	INCEPTION TO LAST					TOTAL FOR THE QUARTER	THIS PERIOD	CUMULATIVE AMOUNT	REMAINING AMOUNT	PERCENT OF BUDGET EXPENDED
	BUDGET AMOUNT	REPORTED PERIOD	Actual Jan.	Actual Feb.	Actual Mar.					
6. TOTAL	93,340	62,318	8,210	8,208	(577)	13,629	13,929	78,247		
4075-702 2.1.a. Telecommunications										
1. LABOR	30,786	27,763	3,160	7,868	193	11,441	11,441	39,204		
2. MATERIAL COSTS										
Travel/Per diem/Allowance	19,730	2,714	1,358	102	90	1,250	1,250	3,965		
ODCs	19,628	5,689	3,020	130	3,939	12,089	12,089	17,958		
SUBS										
Subtotal (non-labor)	39,377	8,563	4,978	232	4,034	13,340	13,340	21,923		
3. G & A on materials	3,260.38	706.25	151.73	19.45	103.65	105	105	1,613		
4. GRANTS										
5. GRANT FEES		(14,800)				3,014	3,014	(5,587)		
6. TOTAL	73,423	37,064	10,900	8,139	4,758	29,898	29,898	62,940		
4075-703 2.1.c. ICT Developed										
1. LABOR	198,772	194,029	19,031	4,572		23,603	23,603	217,632		
2. MATERIAL COSTS										
Travel/Per diem/Allowance	30,087	6,063	1,058	1,518	494	1,271	3,071	9,134		
ODCs	50,847	26,901	13,990	7,312	2,652	23,654	23,654	56,555		
SUBS		8,935						8,935		
Subtotal (non-labor)	80,934	41,900	14,748	8,830	3,146	26,724	26,724	68,624		
3. G & A on materials	6,701.33	3,489.33	1,221.13	711.12	260.52	210	210	5,882		
4. GRANTS		7,087			1,475	3,475	3,475	10,561		
5. GRANT FEES		(14,800)				3,014	3,014	(5,587)		
6. TOTAL	298,407	246,485	35,000	14,134	4,881	58,015	58,015	302,500		
4075-704 2.1.d. Pre-Competitive Institutionalized										
1. LABOR	125,271	121,467	4,191	2,995	2,995	4,191	4,191	125,658		
2. MATERIAL COSTS										
Travel/Per diem/Allowance	18,363	8,342	1,703	5,902	40	7,996	7,996	14,038		
ODCs	77,178	9,631	499	289	790	1,477	1,477	11,108		
SUBS										
Subtotal (non-labor)	95,771	15,973	2,193	6,190	1,144	9,724	9,724	25,147		
3. G & A on materials	7,929.83	1,322.80	191.85	312.52	49.46	750	750	2,082		
4. GRANTS										
5. GRANT FEES		(14,800)				2,488	12,488	(7,112)		
6. TOTAL	228,972	138,783	6,598	9,598	(2,030)	14,124	14,124	152,887		
4075-705 2.2.a. Agriculture markets Efficient & Equitable										
1. LABOR	67,541	66,916	9,745			9,745	9,745	83,661		
2. MATERIAL COSTS										
Travel/Per diem/Allowance		2,809	2,833			2,833	2,833	5,743		
ODCs	40,822	11,677				8,811	8,811	20,488		
SUBS		2,490						2,490		
Subtotal (non-labor)	40,822	17,076	2,833	5,332	3,479	11,644	11,644	28,720		
3. G & A on materials	3,363.49	1,413.80	234.80	441.50	288.04	964	964	2,378		
4. GRANTS										
5. GRANT FEES		(6,788)				12,488	12,488	5,720		
6. TOTAL	131,526	105,408	9,813	5,774	3,767	19,354	19,354	134,780		
4075-706 2.2.b. Biotech Exploited Safety										
1. LABOR	64,169	64,681	2,740			2,740	2,740	67,421		
2. MATERIAL COSTS										
Travel/Per diem/Allowance		89	20			20	20	109		
ODCs	60,272	22,950	918	8,111	4,003	13,031	13,031	35,982		
SUBS										
Subtotal (non-labor)	60,272	23,039	938	8,111	4,003	13,051	13,051	36,090		
3. G & A on materials	5,039.53	1,807.63	77.95	671.55	331.46	1,081	1,081	2,988		
4. GRANTS										
5. GRANT FEES		(6,788)				12,488	12,488	5,720		
6. TOTAL	129,481	89,628	3,755	8,782	4,335	16,872	16,872	106,500		
4075-707 2.2.c. IPR Protected										
1. LABOR	61,933	57,034	2,990		4,859	7,849	7,849	64,883		
2. MATERIAL COSTS										
Travel/Per diem/Allowance		408	7			7	7	415		
ODCs	80,784	27,514	4,699	15,512	17,586	37,756	37,756	65,271		
SUBS										
Subtotal (non-labor)	80,784	27,922	4,665	15,512	17,586	37,763	37,763	65,686		
3. G & A on materials	6,888.91	2,312.00	386.30	1,284.41	1,458.09	3,127	3,127	5,439		
4. GRANTS										
5. GRANT FEES		(6,788)				12,488	12,488	5,720		
6. TOTAL	169,406	87,288	8,042	16,787	23,901	48,739	48,739	138,008		
4075-708 2.2.d. PVP Institutionalized										
1. LABOR	4,787	3,228						3,228		
2. MATERIAL COSTS										
Travel/Per diem/Allowance										
ODCs	11,025	10,883	41		469	510	510	11,393		
SUBS										
Subtotal (non-labor)	11,025	10,883	41		469	510	510	11,393		
3. G & A on materials	612.87	801.14	3.40		38.80	42	42	943		
4. GRANTS										
5. GRANT FEES		(6,788)				12,488	12,488	5,720		
6. TOTAL	16,725	15,012	44		507	532	552	15,564		
GRAND TOTAL TASK ORDER EXPENDITURES										
1. LABOR	18,752,398	18,541,914	143,169	102,734	390,658	636,559	636,559	18,178,473		102.27%
2. MATERIAL COSTS										
Travel/Per diem/Allowance	2,131,951	1,977,813	21,850	33,045	8,578	63,473	63,473	2,041,086		95.74%
ODCs	4,910,081	4,533,998	81,929	64,050	93,587	239,578	239,578	4,773,573		97.22%
SUBS	733,728	715,555			65,224	65,224	65,224	780,779		108.41%
Subtotal (non-labor)	7,775,760	7,227,168	103,778	97,095	167,400	368,273	368,273	7,595,438		97.68%
3. G & A on materials	647,483	602,007	8,593	8,039	13,861	30,493	30,493	632,500		97.69%
4. GRANTS	620,621	818,141	9,014		3,475	12,488	12,488	630,620		101.61%
5. GRANT FEES										8014/01
6. TOTAL	27,796,281	28,988,228	284,564	207,868	573,381	1,047,813	1,047,813	28,637,641		106.67%

FINANCIAL REPORT FOR USAID PROGRAM RESEARCH

DEVELOPMENT ALTERNATIVES, INC.
PHILIPPINES EGTA
PROJECT NO: 4078-810
CONTRACT # 492-C-00-88-00018

REPORTING PERIOD January 1 to March 31, 2004
SUBMISSION NO. 23
SUBMISSION DATE April 23, 2004

CORE CATEGORY	BUDGET	INCEPTION TO LAST REPORTED PERIOD	Actual			TOTAL FOR THE QUARTER	THIS PERIOD	CUMULATIVE	REMAINING	PERCENT OF BUDGET EXPENDED
			Jan	Feb	Mar					
LABOR	\$ 306,413	\$ 282,828.81	.	.	.	.	282,828.81	22,584.19	92.81%
MATERIAL COSTS										
TRAVEL/TRANS/PER DIEM	63,876	94,886.71	336	908		1,243.15	65,828.86	(2,282.86)	103.84%	
OTHER DIRECT COSTS	68,866	82,940.38	.	106		106.94	63,048.32	6,808.34	90.28%	
SUBCONTRACTORS	-	15,000.00	.	.		.	15,000.00	(15,000.00)		
SUBTOTAL	\$ 133,851	\$ 142,828	336	1,014	.	1,349.09	143,875.18	12,138.67	107.82%	
G & A @ 8.2 %	11,066	11,808.94	28	83.96	.	111.70	11,918.64	(882.31)	107.80%	
GRANTS	.	.	.	.	.	.	.	.
GRANT FEES	.	.	.	.	.	.	.	.
TOTAL	\$ 489,800	\$ 457,362	\$ 393	\$ 1,998	\$.	1,461.79	\$ 458,783	\$ 11,277	97.48%	

ANNEX 6

SALIENT FEATURES OF THE OPTICAL MEDIA LAW

Salient Features of the Optical Media Law

Among the salient features of the Optical Media Law are:

1. The reorganization of the Videogram Regulatory Board (VRB) into the Optical Media Board, with its jurisdiction being expanded to cover optical media, whatever may be its content.
2. The regulation of the following:
 - ⇒ the importation, exportation, acquisition, sale or distribution of manufacturing equipment, parts and accessories and manufacturing materials used or intended for use in the mastering, manufacture of, or replication in, optical media;
 - ⇒ the possession or operation such manufacturing equipment, parts and accessories, or the possession, acquisition, sale or use of such manufacturing materials; and
 - ⇒ the mastering, manufacture of, or replication in, optical media.
3. The affixing of a Source Identification (SID) Code into each and every optical media mastered or manufactured, including glass masters, stampers or other parts used for the manufacture of optical discs. The absence of the code, or the presence of unauthorized and/or tampered codes can be a basis for seizure and prosecution.
4. The punishment, with imprisonment of from three (3) to six (6) years, and a fine of from P 500,000 to P 1,500,000, of the following:
 - ⇒ Unlicensed importation, exportation, acquisition, sale or distribution of, or possession or operation of manufacturing equipment, parts and accessories; mastering, manufacture of or replication in optical media;
 - ⇒ Mastering, manufacture of or replication of any intellectual property in optical media intended for commercial profit or pecuniary gain without authority or consent of the owner thereof;
 - ⇒ Mastering, manufacture of or replication of optical media without affixing or installing SID codes or using, affixing, or installing SID codes that have been assigned to another person, or having assigned and authorized said SID Codes, allow or authorize another person or entity to use, affix, or install said Codes; and
 - ⇒ Engaging in the sale, rental, distribution, importation, exportation of, or any other commercial activity involving optical media, which are in violation of the above.
 - For subsequent offenses, a uniform imprisonment of from six (6) to nine (9) years, and a fine of from P 1,500,000 to P 3,000,000 could be imposed, at the discretion of the Court, shall be imposed.
 - In the event of the insolvency of the guilty party, subsidiary imprisonment, in lieu of the fine, shall be imposed.
5. The punishment, with imprisonment of from one (1) year to three (3) years, and a fine of from P 100,000 to P 500,000, of the following:
 - ⇒ unauthorized importation, exportation, sale, or distribution of, or possession or acquisition in commercial quantities, of manufacturing materials used or intended for use in the manufacture of, or replication in, optical media;
 - ⇒ Mastering, manufacturing of, or replication in, optical media, after having been licensed by the Board, for any person, in respect of any intellectual property, who does not have the consent by the owner of the intellectual property or his representatives or assigns;

- ⇒ **Knowingly consenting to have one's place or premises to be used in the commission of any act in violation of this Act;**
- ⇒ **Refusing to submit to inspection by the OMB, or to surrender for preventive custody any optical media, equipment, manufacturing materials including, parts, accessories and paraphernalia found during inspection operations to be in violation of the provisions of this Act.**
- ⇒ **Possession in commercial quantities, for the purpose of sale, rental, distribution or any other commercial purpose, of optical discs which violate any provision of this Act.**
 - **For subsequent offenses, an imprisonment of from three (3) to six (6) years and a fine of from P 500,000 to P 1,500,000 can be imposed, at the discretion of the court.**
 - **In the event of the insolvency of the guilty party, subsidiary imprisonment, in lieu of the fine, shall be imposed.**