

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session



House Bill No. 579

Introduced by CIBAC Party-List Representatives
Eduardo 'Bro. Eddie' C. Villanueva and Domingo C. Rivera

**AN ACT CREATING THE NATIONAL INDEPENDENT COMMISSION
AGAINST CORRUPTION (NICAC), APPROPRIATING FUNDS
THEREFOR AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

The Philippines is known to be one of the oldest democracies in Asia. Throughout its history, the nation has fought for its independence and sovereignty against all forms of threats both within and without. Yet, despite all efforts, there remains a fight yet to be won: the country's perennial fight against systemic and endemic corruption in government.

Indeed, the effects of massive corruption in the Philippines can be seen in all corners of the country: buildings, bridges, and other infrastructures built with subpar materials; the poor deprived of much-needed social services and welfare goods; entrepreneurs strained to submit to under the table transactions in order to expedite permits and licenses; corporations discouraged from investing significantly, if any, in the country's economy because of too much complexities in government processes, both official and unofficial; to name a few—all caused by corrupt officials who bear the mandate of putting the Filipinos first before everybody else.

While the government's efforts to address corruption has made some substantial inroads, much is still needed to be done. In the 2018 Transparency International Corruptions Perception Index, the Philippines ranked 99th out of 180

countries, jumping 12 notches from its 111th rank placement in 2017.¹ Despite this improvement, however, it was also noted that the Philippines' cumulative score of 36 is significantly less than the Asia Pacific average of 44.² This means that the Philippines still has to make substantial reforms in eliminating and thwarting corrupt practices in government.

Recognizing the need to strengthen the anti-corruption framework in the Philippines, this bill creates the National Independent Commission Against Corruption (NICAC) as an attached agency of the Office of the Ombudsman. The NICAC is largely patterned after Hong Kong's Independent Commission Against Corruption, which successfully eradicated syndicated corruption in Hong Kong.

The NICAC shall formulate a National Anti-Corruption Plan and provide policy recommendations to the Office of the Ombudsman to effectively combat corruption in government. To ensure coordination between the NICAC and the Office of the Ombudsman, this bill mandates that the NICAC shall be headed by the Ombudsman or any of his/her deputies. The NICAC shall also submit periodic reports to the Ombudsman to ensure that the efforts of both agencies are coordinated and to avoid duplication of work.

Immediate passage of this bill is earnestly sought.



HON. EDUARDO "BRO. EDDIE" C. VILLANUEVA



HON. DOMINGO C. RIVERA

¹ 2019, January 29. Philippines slightly improves in 2018 on global corruption index. Retrieved from: <https://www.rappler.com/nation/222177-philippines-ranking-corruption-perceptions-index-2018> (date last accessed: June 24, 2019).

² Id.

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2 **AGAINST CORRUPTION (NICAC), APPROPRIATING FUNDS**
3 **THEREFOR AND FOR OTHER PURPOSES**
4

5
6 *Be it enacted by the Senate and House of Representatives of the Philippines in*
7 *Congress assembled:*
8

9
10 **SECTION 1. Title.** – This Act shall be known as the “*National Independent*
11 *Commission Against Corruption Act.*”
12

13 **SECTION 2. Declaration of Policy.** – It is the declared policy of the State to maintain
14 honesty and integrity in public service and to take effective and efficient measures in
15 the battle against graft and corruption. Towards this end, the State shall continuously
16 institute reforms to ensure that graft and corruption is eliminated in all levels of the
17 government.
18

19 **SECTION 3. Organization.** – There is hereby created the National Independent
20 Commission Against Corruption, hereinafter referred to as the Commission, to
21 implement and coordinate policy for the prevention, control and ultimately, the
22 elimination of graft and corrupt practices as defined under relevant laws at all levels of
23 the government.
24

25 The Commission shall be attached to the Office of the Ombudsman for policy
26 coordination.
27
28

1 **SECTION 4. Powers and Functions of the Commission.** – The Commission shall
2 have the following powers and functions:

- 3
- 4 a) To formulate and implement a National Anti-Corruption Plan (NACP) and action
5 agenda, and reinforce program strategies in accordance with the NACP;
6
- 7 b) To examine the bidding, negotiation, execution and implementation of public
8 contracts in pursuit of the objectives of the NACP;
9
- 10 c) To verify if the award of public works and supply contracts are conducted
11 properly in accordance with law, pursuant to the goals provided for in the NACP;
12
- 13 d) To undertake a comprehensive audit, which shall include, but not be limited to,
14 lifestyle checks on any public officer/employee;
15
- 16 e) To endorse to the Office of the Ombudsman for appropriate action after a
17 finding of a *prima facie* case of violation of anti-corruption laws in the exercise
18 of its powers under items (b) to (d) above, upon complaint by any person or
19 *motu proprio*;
20
- 21 f) To conduct sustained information and education drives aimed at preventing
22 corruption and public misconduct; and
23
- 24 g) To organize specialized training of personnel of the government and
25 representatives from the private sector and civil society in the prevention,
26 investigation and prosecution of graft and corrupt practices.
27

28 **SECTION 5. National Anti-Corruption Plan.** – Within ninety (90) days from the
29 approval of this Act, the Commission shall submit to the Office of the Ombudsman and
30 to Congress a five-year plan and study containing detailed policy proposals for the
31 elimination of graft and corruption in all branches, offices, agencies and
32 instrumentalities of government.
33

34 The NACP shall also be disseminated to all government agencies.
35

36 **SECTION 6. Composition of the Commission.** – The Commission shall be headed
37 by the Ombudsman or any of the Deputy Ombudsman as its Chairperson. He/she
38 shall be assisted by two (2) Commissioners, who shall serve on a full-time basis.
39

- 40 a) The Commissioners shall include at least one (1) lawyer, accountant or
41 member of the academe who is in the field of public administration. Each
42 Commissioner shall be selected and appointed by the President, without the
43 requirement of confirmation, from a pool of candidates to be nominated by peak
44 professional organizations of accountants or lawyers or by the University or
45 College Administration if the nominee is a member of the academe. A “peak
46 professional organization” refers to an organization duly recognized by
47 members as representative of, and having the largest active membership in
48 their profession, and is existing for at least ten (10) years. The mechanics of
49 the nomination process shall be provided for in the Implementing Rules and
50 Regulations for this Act.

- 1 b) The Commissioners must be citizens of the Philippines, at least thirty-five (35)
2 years of age, known and recognized for moral uprightness and patriotism, of
3 unquestionable integrity, and recognized experts in any of the fields of law,
4 accounting or public administration. They must not have been candidates for
5 any elective national or local office in the immediately preceding election,
6 whether regular or special.
7
8 c) The Commissioners shall serve for three (3) years, and may be reappointed as
9 such for another term of three (3) years; *provided*, that the reappointment of a
10 Commissioner shall follow the nomination process outlined in this Section.
11
12 d) The President of the Philippines may remove any member of the Commission,
13 upon compliance with due process, for any of the following reasons:
14
15 i. The member suffers from physical or mental incapacity that renders him
16 or her incapable of properly discharging the duties and responsibilities
17 of the Commission and such incapacity has lasted for more than six (6)
18 months;
19
20 ii. The member has committed acts that are shown *prima facie* to be
21 fraudulent or illegal or manifestly opposed to the aims and interests of
22 the Commission and/or the government; or
23
24 iii. The member ceases to possess the qualifications required in this Act or
25 its implementing rules and regulations.
26
27 e) The Commissioners shall not hold any public office or employment during their
28 tenure. Except as otherwise provided by law, in no case shall any member of
29 the Commission appoint representatives to act on his/her behalf.
30
31 f) The Commissioners shall have the same rank and emoluments as that of a
32 Deputy Ombudsman.
33

34 **SECTION 7. The Secretariat.** – The Commission shall be assisted by a Secretariat
35 to be headed by an Executive Director.
36

37 The Secretariat shall be composed of individuals of known moral probity and
38 dedication to public service.
39

- 40 a) The Executive Director. The Executive Director shall be appointed by the
41 Chairperson with the concurrence of the Commissioners. The Executive
42 Director shall attend the Commission's deliberations, monitor the
43 implementation of the programs of the Commission, and manage its day-to-day
44 operations.
45
46 b) Functions of the Secretariat. The Secretariat shall provide technical and
47 administrative support to the Commission and shall oversee all its operational
48 activities.
49
50

1 **SECTION 8. Organizational Structure.** – The Commission shall be composed of
2 three departments:

- 3
4 a) The Operations Department, which shall carry out the investigation and
5 endorsement to the proper agency of cases investigated for the prosecution of
6 offenses;
7
8 b) The Corruption Prevention Department, which shall carry out assessment of
9 areas in government offices where corruption would be most likely, and make
10 recommendations on how opportunities for corruption can be eliminated or
11 reduced; and
12
13 c) The Community Relations Department, which shall gather support and
14 information from the public and work towards changing the public attitude
15 regarding corruption.
16

17 **SECTION 9. Transparency and Availability of Records.** – The Commission shall
18 maintain and preserve its records, documents and papers, and shall make the same
19 available to the public, except when disclosure will pose serious damage to the
20 Commission's case or when a party would be deprived of his/her right to a fair and
21 impartial trial.
22

23 **SECTION 10. Implementing Rules and Regulations and Standard Forms.** – Within
24 ninety (90) days from the effectivity of this Act, the Commission, in consultation with
25 the head of the Development Academy of the Philippines, the chair of the Civil Service
26 Commission, the Chair of the Commission on Audit, the Ombudsman, a representative
27 from the Sandiganbayan and other relevant stakeholders, shall promulgate the
28 implementing rules and regulations for the proper implementation of this Act.
29

30 **SECTION 11. Restrictions.** – No writ of injunction shall be issued by any court to
31 delay an investigation being conducted by the Commission.
32

33 **SECTION 12. Total Support of Other Government Units.** – The Commission may
34 require any government agency to make available their personnel and facilities to
35 attain the objectives of this Act.
36

37 **SECTION 13. Malicious Prosecution.** – Any compliant found to have been initiated
38 with malice shall be dealt with in accordance with law.
39

40 **SECTION 14. Franking Privilege.** – All official mail letters and telegrams of the
41 Commission addressed for delivery within the Philippines shall be received,
42 transmitted, and delivered free of charge: *provided*, that such mail matters when
43 addressed to private persons or non-government offices shall not exceed one hundred
44 twenty (120) grams. All mail matters and telegrams sent through government
45 telegraph facilities containing complaints to the Commission shall be transmitted free
46 of charge, provided that the telegram shall contain not more than one hundred fifty
47 (150) words.
48
49

1 **SECTION 15. Annual Report.** – The Commission shall, on or before June 30 of each
2 year, or by such later date as the President may allow, submit to the President and to
3 Congress, a report on the performance of the Commission in combatting graft and
4 corruption. The Commission shall furnish a copy of such report to the Office of the
5 Ombudsman, and shall also make available a copy of the report to the general public.
6

7 **SECTION 16. Appropriations.** – For the first year of the implementation of this Act,
8 an initial amount of Fifty Million Pesos (Php50,000,000.00) is hereby appropriated.
9 Thereafter, the amount necessary to carry out the provisions of this Act shall be
10 included in the General Appropriations Act.
11

12 **SECTION 17. Repealing Clause.** – All provisions of laws, presidential decrees, letters
13 of instruction and other presidential issuances which are incompatible or inconsistent
14 with the provisions of this Act are hereby amended or repealed accordingly.
15

16 **SECTION 18. Separability Clause.** – If any provision of this Act is declared
17 unconstitutional, the other provisions not affected thereby shall continue to be in full
18 force and effect.
19

20 **SECTION 19. Effectivity Clause.** – This Act shall take effect fifteen (15) days
21 following its publication in the Official Gazette or two (2) newspapers of general
22 circulation.
23

24
25 Approved,