



Republic of the Philippines  
Department of Environment and Natural Resources  
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929-6626 loc. 2012 - 2014

**MEMORANDUM FROM THE SECRETARY**

TO : ALL DENR OFFICIALS AND EMPLOYEES

SUBJECT : **DBM'S COMMENT RE: OUR REQUEST TO GRANT CASH INCENTIVES TO ALL DENR OFFICIALS AND EMPLOYEES**

DATE : FEB 26 2004

This is to furnish you with a copy of the letter dated 17 February 2004 of Director Solita S. Recolizado of the Department of Budget and Management, informing this office of their inability to recommend to the President the grant of cash incentives to all DENR officials and employees.

Paragraph 8 and 9 of the said letter states that;

*"The proposed grant of cash incentives to all officials and employees of the DENR CO would be contrary to Sub-Item 1.2 of the DENRPRAISE and Item 2, CSC MC No. 01, s. 2001 which intend that rewards shall be for specific individuals or group of individuals who have provided worthy contributions to the efficiency, economy or other improvement in government operations or for extraordinary acts or services in the public interest. The DENRPRAISE, therefore, should not be used as a vehicle for the grant of across-the-board benefit.*

*In view of the foregoing this Department regrets its inability to recommend to the President the grant of cash incentives to all officials and employees of the DENR CO."*

For your information.

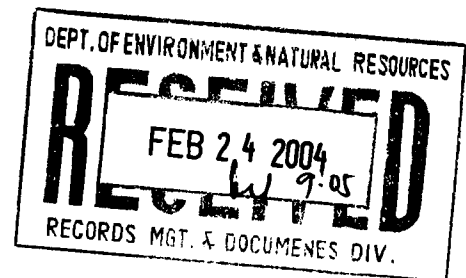
  
ELISEA G. GOZUN



REPUBLIC OF THE PHILIPPINES  
Department of Budget and Management  
ORGANIZATION, POSITION CLASSIFICATION AND COMPENSATION BUREAU  
2<sup>nd</sup> Floor, DBM Building I, General Solano Street, San Miguel, Manila

February 17, 2004

The Honorable  
Secretary Elisea G. Gozun  
Department of Environment  
and Natural Resources (DENR)  
Visayas Avenue, Diliman  
Quezon City



Madam :

This refers to the DENR Secretary's Memorandum addressed to Her Excellency, President Gloria Macapagal-Arroyo, endorsing Resolution No. 2003-13 of the Department of Environment and Natural Resources Employees Union (DENREU) requesting the DENR management to grant cash incentives to all officials and employees of the DENR Central Office (CO). The request was referred to the Department of Budget and Management by the Office of the President for appropriate action.

As provided in the said Resolution, the DENR approved the Program on Awards and Incentive for Service Excellence (PRAISE) pursuant to Civil Service Commission (CSC) Memorandum Circular (MC) No. 01, s. 2001. The Resolution cited the following innovations achieved by the agency as basis of the proposed incentive:

- 1) the institutionalization of good governance which resulted to the reduction of processing time for the Issuance of land titles and mining permits, creation of DENR website for applicants of environmental compliance certificates; and
- 2) the introduction of an Environmental Management System which improved the environmental performance of the organization while generating monetary and non-monetary savings.

In said memorandum, the DENR Secretary further stated that the DENR accomplished 102% of the SONA commitment for the issuance of land patents for CY 2003.

Based on our evaluation, the grant of cash incentive may be anchored in Item 6.5 of the DENRPRAISE which provides as follows:

- "6.5 Other incentives which the DENRPRAISE Committee may recommend on the basis of special achievements, innovative approaches to assignments,

exemplary service to the public or recognition by an outside group of a particular achievement."

Per existing policies, government officials and employees are granted incentives in the form of Productivity Incentive Benefit (PIB) and the Collective Negotiation Agreement (CNA) Incentive.

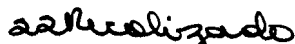
The PIB under Administrative Order (AO) No. 161 (Prescribing a Standard Incentive Pay System Based on Productivity and Performance, for All Officials and Employees of the Government, National and Local Including Those of Government-Owned and/or - Controlled Corporations and Government Financial Institutions and for Other Purposes) is an incentive pay based on individual personnel productivity and performance as evaluated and determined by the heads of the respective offices/agencies in accordance with the policies and standards set by the Civil Service Commission. It is granted to government personnel who have obtained at least a satisfactory performance rating for two (2) semesters immediately preceding the year in which the incentive shall be released. Item 6.3 of the DENRPRAISE refers to the PIB.

The CNA Incentive may be granted pursuant to Public Sector Labor-Management Council (PSLMC) Resolution No. 04, s. 2003, to recognize the joint efforts of labor and management to achieve all planned targets, programs and services approved in agency budgets at lesser cost. It is a benefit which may be paid to agency employees, excluding management, every year that savings are generated during the life of the CNA.

The proposed grant of cash incentives to all officials and employees of the DENR CO would be contrary to Sub-Item 1.2 of the DENRPRAISE and Item 2, CSC MC No. 01, s. 2001 which intend that rewards shall be for specific individuals or groups of individuals who have provided worthy contributions to the efficiency, economy or other improvement in government operations or for extraordinary acts or services in the public interest. The DENRPRAISE, therefore, should not be used as a vehicle for the grant of an across-the-board benefit.

In view of the foregoing this Department regrets its inability to recommend to the President the grant of cash incentives to all officials and employees of the DENR CO.

Very truly yours,

  
**SOLITA S. RECOLIZADO**  
Director

cc.: Honorable Waldo Q. Flores  
Senior Deputy Executive Secretary  
Office of the President  
Malacañang, Manila