



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

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02 July 2024

CUSTOMS MEMORANDUM CIRCULAR
NO. 120 - 2024

TO : ASSISTANT COMMISSIONER
ALL DEPUTY COMMISSIONERS
ALL DIRECTORS AND DIVISION CHIEFS
ALL DISTRICT AND SUB-PORT COLLECTORS
ALL OTHERS CONCERNED

SUBJECT : EXECUTIVE ORDER NO. 61: SUSPENDING THE
IMPLEMENTATION OF ADMINISTRATIVE ORDER NO. 25 (S.
2011) AND EXECUTIVE ORDER NO. 80 (S. 2012), AS
AMENDED

Attached herewith is Executive Order No. 61 dated 03 June 2024 from Executive Secretary **LUCAS P. BERSAMIN**, Office of the President, on the **Suspension of the Implementation of Administrative Order No. 25 (s. 2011) and Executive Order No. 80 (s. 2012), as amended.**

For records purposes, please disseminate throughout your respective offices and submit the necessary confirmation within fifteen (15) days from receipt hereof.

For your information and appropriate action.

BIENVENIDO Y. RUBIO
Commissioner

JUL 08 2024





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MALACAÑAN PALACE
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 61

**SUSPENDING THE IMPLEMENTATION OF ADMINISTRATIVE ORDER
NO. 25 (S. 2011) AND EXECUTIVE ORDER NO. 80 (S. 2012), AS
AMENDED**

WHEREAS, Administrative Order (AO) No. 25 (s. 2011) established a unified and integrated Results-Based Performance Management System (RBPMS) across all departments and agencies within the Executive branch of Government, and for such purpose, established the Inter-Agency Task Force (IATF) on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems;

WHEREAS, Executive Order (EO) No. 80 (s. 2012), as amended by EO No. 201 (s. 2016), adopted a Performance-Based Incentive (PBI) System, consisting of Productivity Enhancement Incentive (PEI) and the Performance-Based Bonus (PBB), to motivate higher performance and exact greater accountability in the public sector and ensure accomplishment of government commitments and targets;

WHEREAS, Section 13 of Presidential Decree No. 985 (s. 1976), as amended, and Item 17 (iv) of the Senate and House of Representatives Joint Resolution No. 4 (s. 2009), as amended by Republic Act (RA) No. 11466 or the "Salary Standardization Law of 2019," authorize the President to periodically revise or update the Compensation and Position Classification System, as well as the policies on and levels of allowances, benefits and incentives applicable to all government personnel;

WHEREAS, Section 5 of RA No. 9485, as amended by RA No. 11032 or the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018," mandates all offices and agencies which provide government services to undergo evaluation and improvement of their transaction systems and procedures, and reengineer the same if deemed necessary to reduce bureaucratic red tape and processing time;

WHEREAS, pursuant to RA No. 9485, as amended, the Anti Red-Tape Authority (ARTA) is mandated to, among others, coordinate with all government offices in the review of existing laws, executive issuances and local ordinances; implement and oversee a national policy on anti-red tape and ease of doing business; and implement various ease of doing business and anti-red tape reform initiatives;

WHEREAS, the RBPMS and PBI System have been duplicative and redundant with the internal and external performance audit and evaluation systems of the government, and

THE PRESIDENT OF THE PHILIPPINES

lacked a review mechanism leading to the accumulation of rules, regulations, and issuances from the IATF thereby making compliance therewith burdensome, bureaucratic, laborious and time consuming for government agencies;

WHEREAS, it is imperative to streamline, align and harmonize the RBPMS and PBI System with ease of doing business initiatives, and reform the government performance evaluation process and incentives system towards a more responsive, efficient, agile and competent bureaucracy;

WHEREAS, the Philippine Development Plan 2023-2028 and the Administration's 8-Point Socioeconomic Agenda aim to institute good governance practices and improve bureaucratic efficiency; and

WHEREAS, Section 17, Article VII of the Constitution vests in the President the power of control over all Executive departments, bureaus, and offices, and the mandate to ensure the faithful execution of laws;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by the Constitution and existing laws, do hereby order:

Section 1. Suspension. The implementation of AO No. 25 (s. 2011) and EO No. 80 (s. 2012), and all other relevant issuances related thereto, is hereby suspended immediately pending review of the RBPMS and PBI System.

Section 2. Technical Working Group. A Technical Working Group (TWG) for the study and review of the RBPMS and PBI System is hereby constituted, composed of the following:

Chair : Secretary, Department of Budget and Management (DBM)
Co-Chair : Executive Secretary, Office of the President (OP)
Members : Secretary, Department of Finance;
Secretary, National Economic and Development Authority; and
Director General, ARTA.

Representatives to the TWG shall have a rank of not lower than Assistant Secretary or its equivalent, who are duly authorized to decide for and on behalf of the agency concerned.

The OP and the DBM shall provide secretariat services to the TWG.

Section 3. Function. The TWG shall study and review the RBPMS and PBI System with the goal of streamlining, overhauling, improving and simplifying government performance management and incentives systems.

In the performance of its function, the TWG may consult and collaborate with the Development Academy of the Philippines, Civil Service Commission, Career Executive Service Board, Commission on Audit and the Office of the Ombudsman, and other relevant government agencies and instrumentalities, as it may deem appropriate. The TWG may likewise involve the private sector, through the National Competitiveness Council, for the purpose of soliciting inputs and recommendations.

Section 4. Guiding Principles. In the review of the RBPMS and PBI System, the TWG shall be guided by the following principles:

- a. The new government performance management and incentives systems shall be aligned with ease of doing business initiatives, the Philippine Development Plan, the Socioeconomic Agenda of the Administration, and international standards and best practices;
- b. The TWG shall adopt standards similar to, and at par with, the Quality Management Systems by the International Organization for Standardization, tailored specifically for the public sector, and if appropriate, only for government agencies and instrumentalities providing frontline services;
- c. The new government performance management and incentives systems shall take into consideration the unique nature, needs and requirements of agencies and instrumentalities, and come up with appropriate tiers, groupings or categorizations of agencies and instrumentalities, as may be deemed appropriate; and
- d. The TWG shall integrate, streamline and align the new government performance management system with the government internal audit program and activities pursuant to RA No. 3456, as amended by RA No. 4177, or the "Internal Auditing Act of 1962," and government quality management systems under AO No. 161 (s. 2006) and EO No. 605 (s. 2007).

Section 5. Report. The TWG shall submit a comprehensive report on its findings together with its recommendations to the Office of the President, through the Office of the Executive Secretary, within a period of not more than six (6) months from the effectivity of this Order. The TWG shall also submit a transition plan for the grant of PBB for Fiscal Year 2023 within a period of three (3) months from the effectivity of this Order.

Section 6. Separability. If any part or provision of this Order shall be held invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

Section 7. Effectivity. This Order shall take effect immediately.

DONE, in the City of Manila, this 3rd day of June, in the year of Our Lord, Two Thousand and Twenty-Four.

Lucas P. Bersamin
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By the President:

Lucas P. Bersamin
LUCAS P. BERSAMIN
Executive Secretary

