

MALACAÑANG
MANILA

ADMINISTRATIVE ORDER NO. 1

REQUIRING ALL MEMBERS OF THE CABINET, THE UNDERSECRETARIES AND ASSISTANT SECRETARIES TO RESIGN FROM ALL PRIVATE OFFICES AND EMPLOYMENT AND TO DIVEST THEIR SHAREHOLDINGS OR INTEREST IN PRIVATE CORPORATIONS OR BUSINESSES IN CASE OF CONFLICT OF INTEREST IN THE CONDUCT OF THEIR OFFICE

WHEREAS, the Constitution expressly prohibits members of the Cabinet, their deputies and assistants (the "Cabinet Officials") from holding, unless otherwise provided in the Constitution, any other office or employment in the government or in the private sector;

WHEREAS, the Constitution mandates that Cabinet Officials shall strictly avoid conflict of interest in the conduct of their office;

WHEREAS, R.A. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials And Employees, requires all public officials to divest their shareholdings or interest in any particular corporation or business in case a conflict of interest, as defined therein, arises;

WHEREAS, as public servants, all Cabinet Officials must conduct themselves with utmost honesty and integrity;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the, Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. Resignation from Private Offices. All Cabinet Officials who are directors, officers, managers, partners, employees or consultants of private corporations, partnerships, or other business enterprises, must resign their position as director, officer, manager, partner, employee or consultant immediately upon, but in no case later than thirty (30) days from, assuming public office. This requirement applies whether or not a conflict of interest exists between the Cabinet Officials' duties and their interests in such private corporations, partnerships or other business enterprises.


A handwritten signature, likely of Fidel V. Ramos, enclosed in a circle.

Section 2. Divestment. All Cabinet Officials who own, directly or indirectly, substantial shareholdings sufficient to elect at least one director in any private corporation, or who may directly or indirectly own any interest in any business enterprise, must divest their shareholdings or interest in said corporation or business enterprise not later than sixty (60) days from the time a conflict of interest arises, or when it becomes reasonably apparent that their rights and duties as stockholders or owners are opposed to or may affect the faithful performance of their official duties.

Section 3. Transfer of Title. Divestment made in compliance with Section 2 must result in the complete and actual transfer of title and beneficial ownership over the shares of stock or business interest, without any obligation or option on the part of the Cabinet Official to re-acquire such shares or business interest in the future.

Section 4. Transferees. Divestment may be made only to persons other than the Cabinet Official's spouse or relatives within the fourth civil degree of consanguinity or affinity.

Section 5. Full Disclosure. The Cabinet Officials shall submit duly certified copies of the letters of resignation or instruments of divestment required under this Administrative Order, within the period mentioned in Section 2, to the Head of the Presidential Management Staff. Said instruments of divestment must indicate the extent of the shareholdings or business interest, the consideration or price involved, the terms and conditions of the sale or disposition, the proof of payment, the name of the transferee, and the date of the divestment.

The Head of the Presidential Management Staff shall, upon receipt of the letters of resignation or instruments of divestment, collate, summarize and prepare a report of the information contained therein which may be released upon request to concerned bodies and offices. Said report shall likewise be made available to the public in accordance with, and subject to the same requirements set in Section 3, Rule VII of the Implementing Rules on the Code Of Conduct And Ethical Standards For Public Officials And Employees.



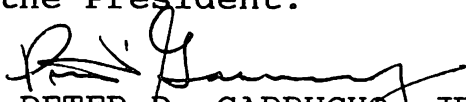
Section 6. Honorary Officials. The requirements under this Administrative Order shall not apply to those who serve the government in an honorary capacity, without any pay or remuneration.

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

Done in the City of Manila, Philippines, this 14th day of July, in the year of our Lord, nineteen hundred and ninety two.



By the President:



PETER D. GARRUCHO, JR.
Acting Executive Secretary