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**NATIONAL
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**INTEGRITY
INITIATIVE**



**SOCIAL
WEATHER
STATIONS**

The SWS 2013 Enterprise Survey on Corruption

February 24, Tagaytay

February 26, Cagayan de Oro

February 28, Davao City

March 11, Cebu City

March 13, Iloilo City

March 18, Angeles City

- *The 2013 Survey of Enterprises on Corruption is the 11th in a series of surveys done by SWS since 2000.*
- *The 2013 Survey was conducted with support from Australian Aid - The Asia Foundation Partnership in the Philippines, and in partnership with the National Competitiveness Council and the Makati Business Club's Integrity Initiative programme.*

PRESENTATION OUTLINE

A. Survey Design

B. Survey Results

- 1) PUBLIC SECTOR CORRUPTION**
- 2) SINCERITY IN FIGHTING CORRUPTION**
- 3) GOVERNMENT EFFORTS TO FIGHT CORRUPTION**
- 4) GOVERNMENT PROCUREMENT**
- 5) ACCESS TO GOVERNMENT INFORMATION**
- 6) TRANSACTIONS WITH GOVERNMENT**
- 7) BUREAU OF INTERNAL REVENUE AND PAYING TAXES**
- 8) SMUGGLING**
- 9) ENTERPRISES SOLICITED FOR A BRIBE**
- 10) PRIVATE SECTOR CORRUPTION**
- 11) BUSINESS EFFORTS TO FIGHT CORRUPTION**
- 12) HONEST BUSINESS PRACTICES**
- 13) THE BUSINESS CLIMATE**

C. Summary of Findings

THE 2013 SURVEY OF ENTERPRISES ON CORRUPTION: SURVEY DATES AND SAMPLE SIZES

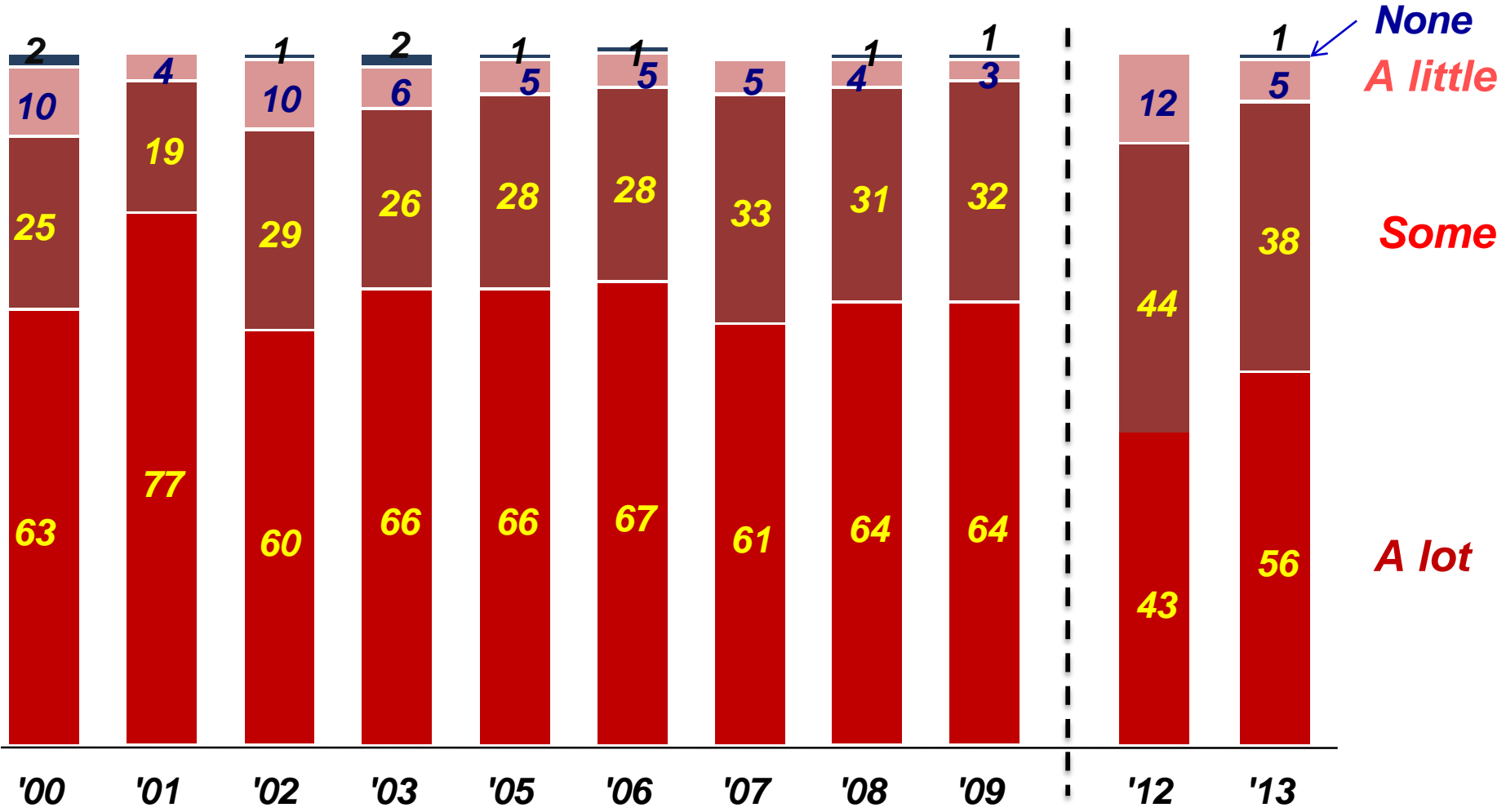
<u>Fieldwork Dates</u>	<u>Area</u>	<u>Total Sample</u>	<u>Large</u>	<u>Small & Medium</u>	<u>Error Margin</u>
<i>Jul 31 – Nov 29</i>	<i>7 areas</i>	<i>951</i>	<i>315</i>	<i>633</i>	<i>± 3%</i>
<i>Jul 31 – Nov 29</i>	<i>NCR: National Capital Region</i>	<i>351</i>	<i>116</i>	<i>235</i>	<i>± 5%</i>
<i>Jul 31 – Aug 30</i>	<i>Ang: Metro Angeles</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>
<i>Jul 31 – Sep 9</i>	<i>CLB: Cavite-Laguna-Batangas</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>
<i>Jul 31 – Aug 22</i>	<i>Ilo: Metro Iloilo</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>
<i>Jul 31 – Aug 29</i>	<i>Ceb: Metro Cebu</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>
<i>Jul 31 – Sep 9</i>	<i>CDO-I: Cagayan de Oro/Iligan City</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>
<i>Jul 31 – Aug 29</i>	<i>Dav: Metro Davao</i>	<i>100</i>	<i>33</i>	<i>67</i>	<i>±10%</i>



1) PUBLIC SECTOR CORRUPTION



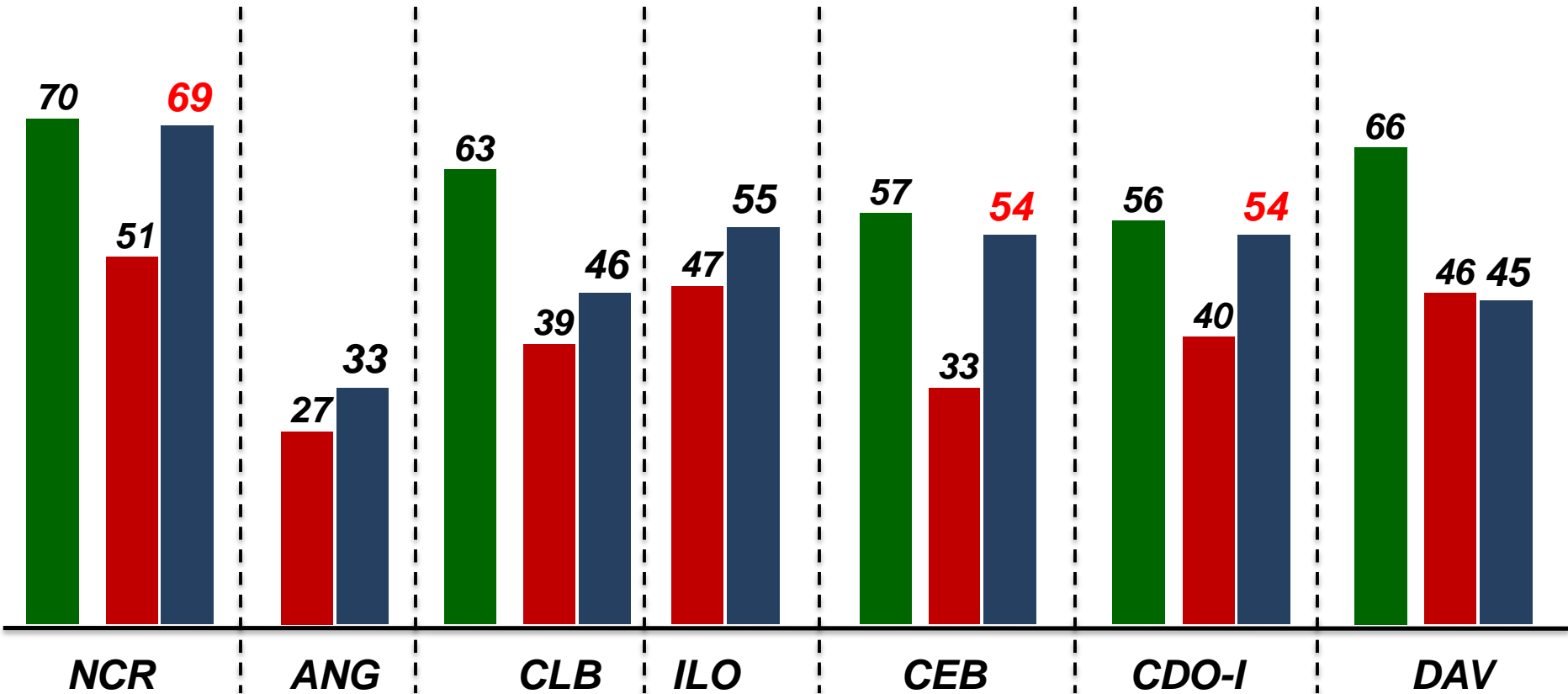
Those seeing “a lot” of corruption in the public sector rose to **56% in 2013** (second-lowest since 2000), from record-low **43% in 2012**



Q36. How much corruption do you think there is in the public sector? [A LOT , SOME, A LITTLE, NONE]

ENTERPRISES SAYING THERE IS “A LOT” OF CORRUPTION IN THE PUBLIC SECTOR, BY AREA, 2009 TO 2013

2009 2012 2013

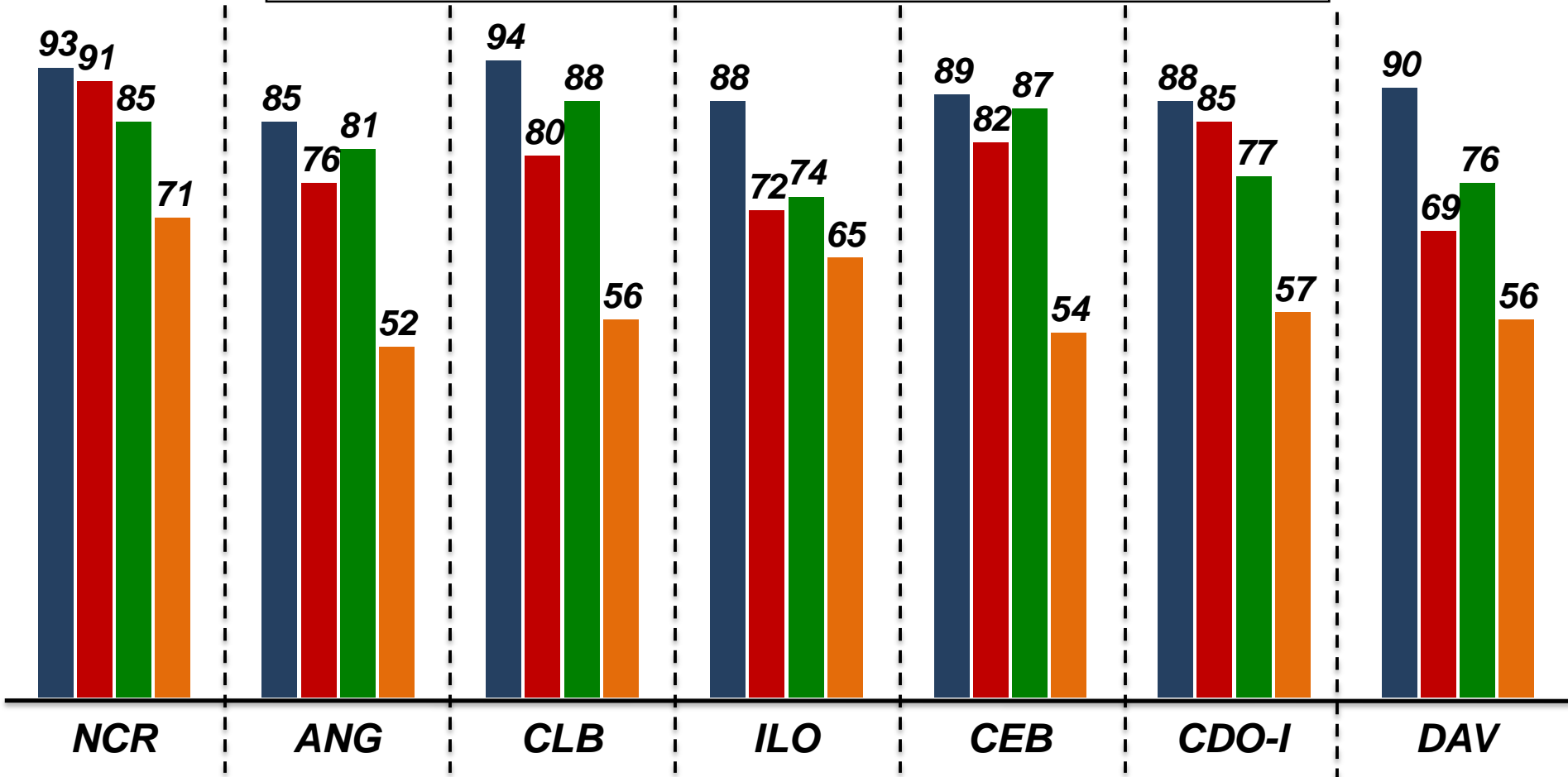


Q36. How much corruption do you think there is in the public sector? [A LOT , SOME, A LITTLE, NONE]

LEVEL OF GOVERNMENT WHERE CORRUPTION HAPPENS, BY AREA, 2013

Base: Total Who Say There Is Corruption in the Public Sector

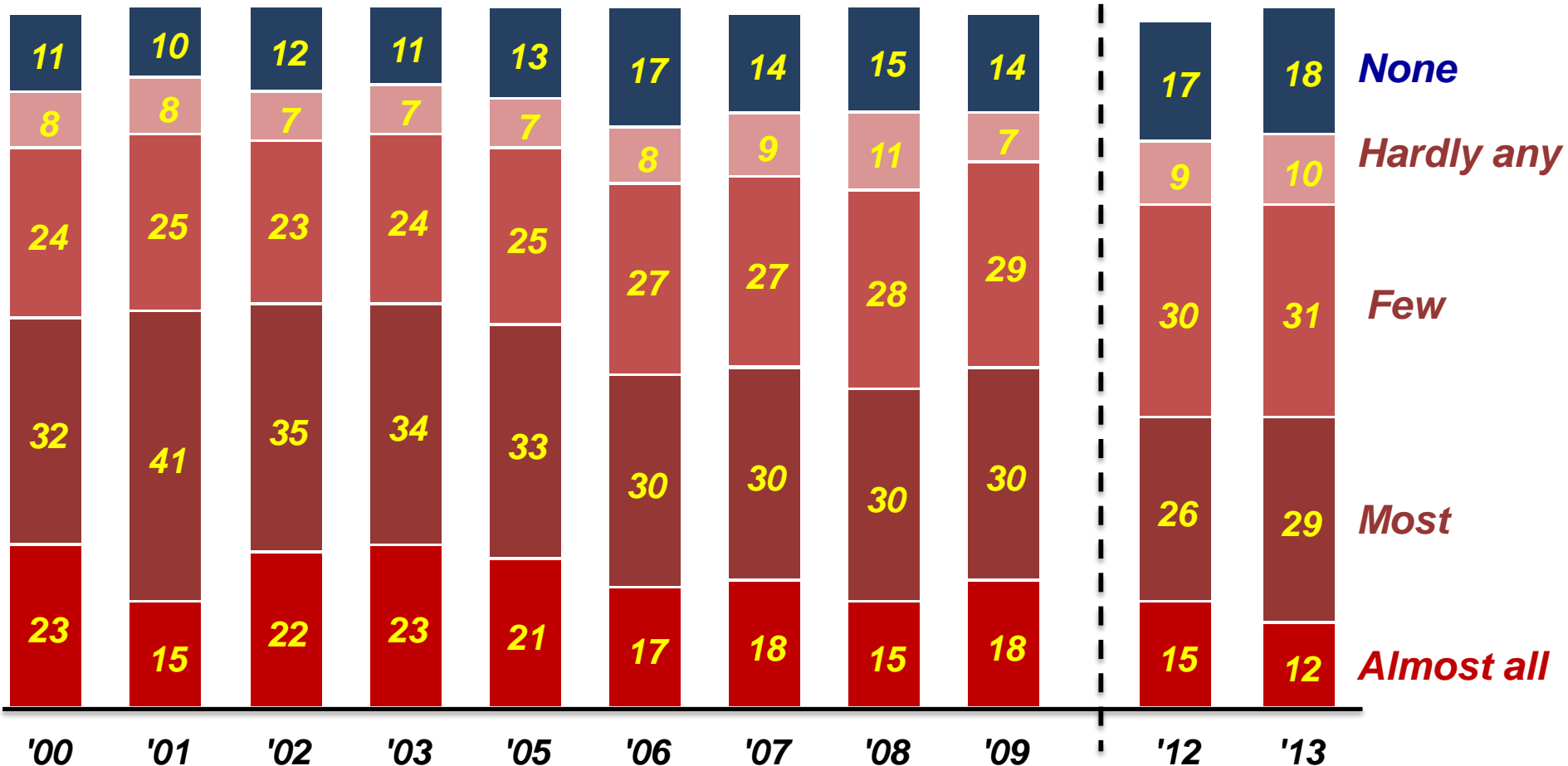
■ National ■ City/Municipal ■ Provincial ■ Barangay



Q37. Among the different levels of government, where do you think corruption happens? Is it at the...? (MULTIPLE RESPONSE ALLOWED)

42% say “most/almost all” companies in my sector of business give bribes to win government contracts, the same as record-low 41% in 2012

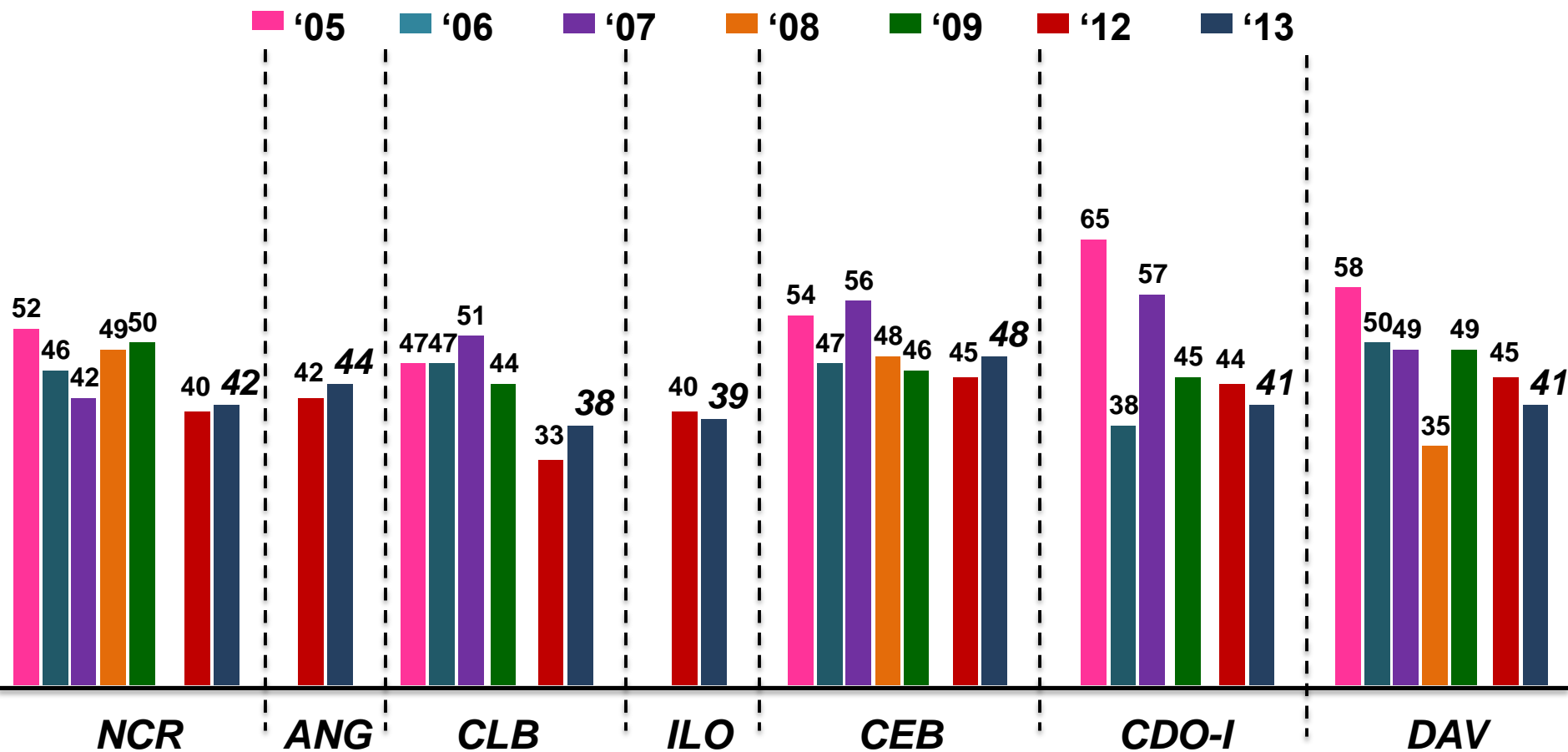
Base: Total Who Say There Is Corruption in the Public Sector



Q40. In your line of business, how many companies do you think give bribes to win public sector contracts?

ENTERPRISES SAYING “MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PUBLIC SECTOR CONTRACTS”, BY AREA, 2005 TO 2013

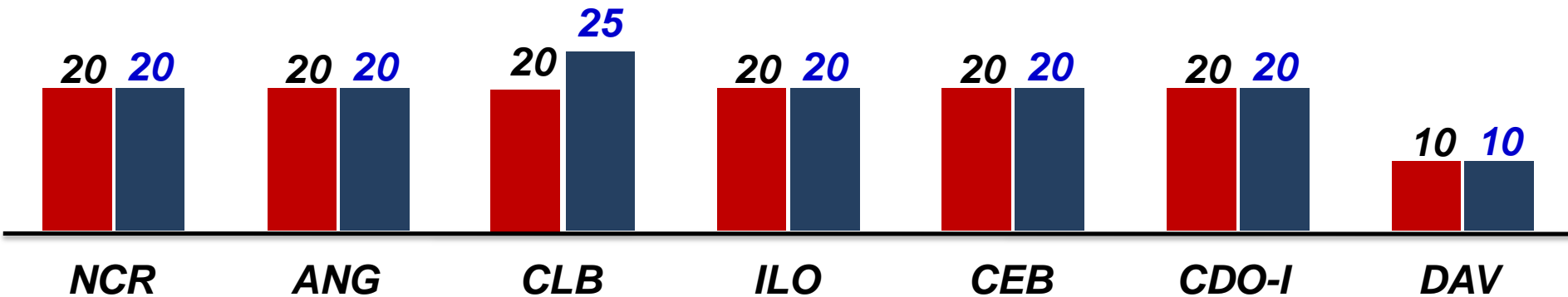
Base: Total Who Say There Is Corruption in the Public Sector



Q40. In your line of business, how many companies do you think give bribes to win public sector contracts?

MEDIAN PERCENTAGE OF CONTRACT ALLOTTED AS BRIBE TO WIN PUBLIC SECTOR CONTRACT, 2012 AND 2013, BY AREA

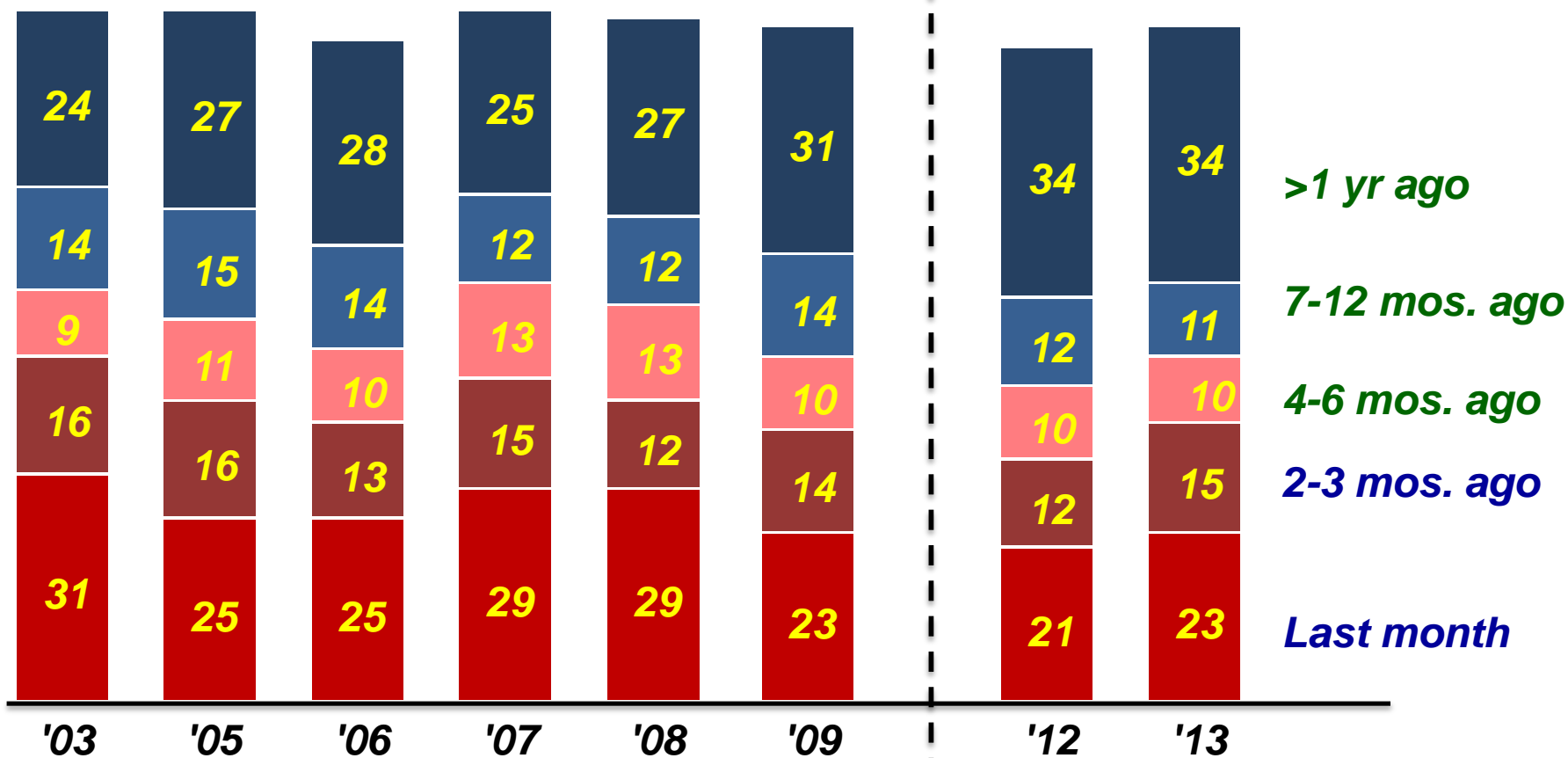
Base: Total Who Say Companies in Their Sector Allot a Percentage for Bribes to Win Public Sector Contracts



Q41. In instances when bribery happens, what percentage of an average contract is allotted for bribes to win public sector contracts?

Those with personal knowledge of public sector corruption in their sector of business in the last 3 months rose to **38% in 2013**, from a record-low **33% in 2012**

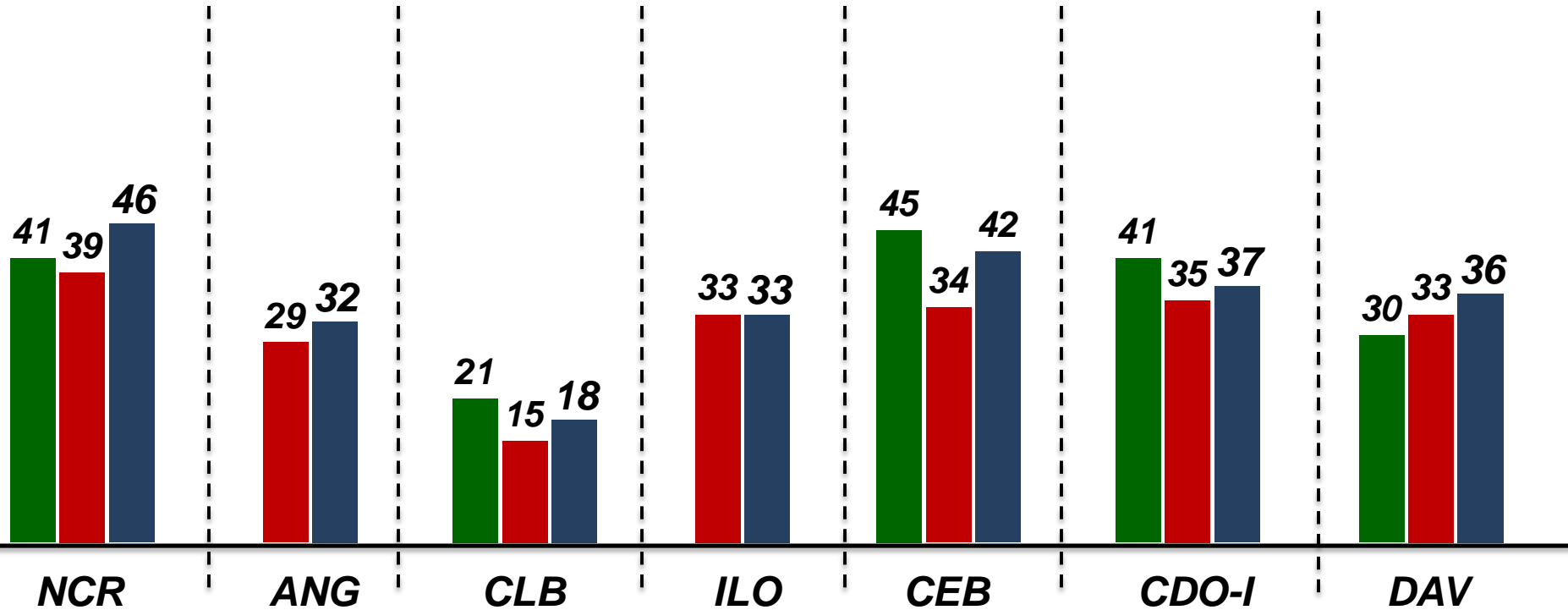
Base: Total Who Say There Is Corruption in the Public Sector



Q39. When was the last time you had personal knowledge of a corrupt transaction with government by a company in your sector of business?

PERSONAL KNOWLEDGE OF PUBLIC SECTOR CORRUPTION IN ONE'S SECTOR OF BUSINESS IN THE PAST 3 MONTHS, BY AREA, 2009 TO 2013

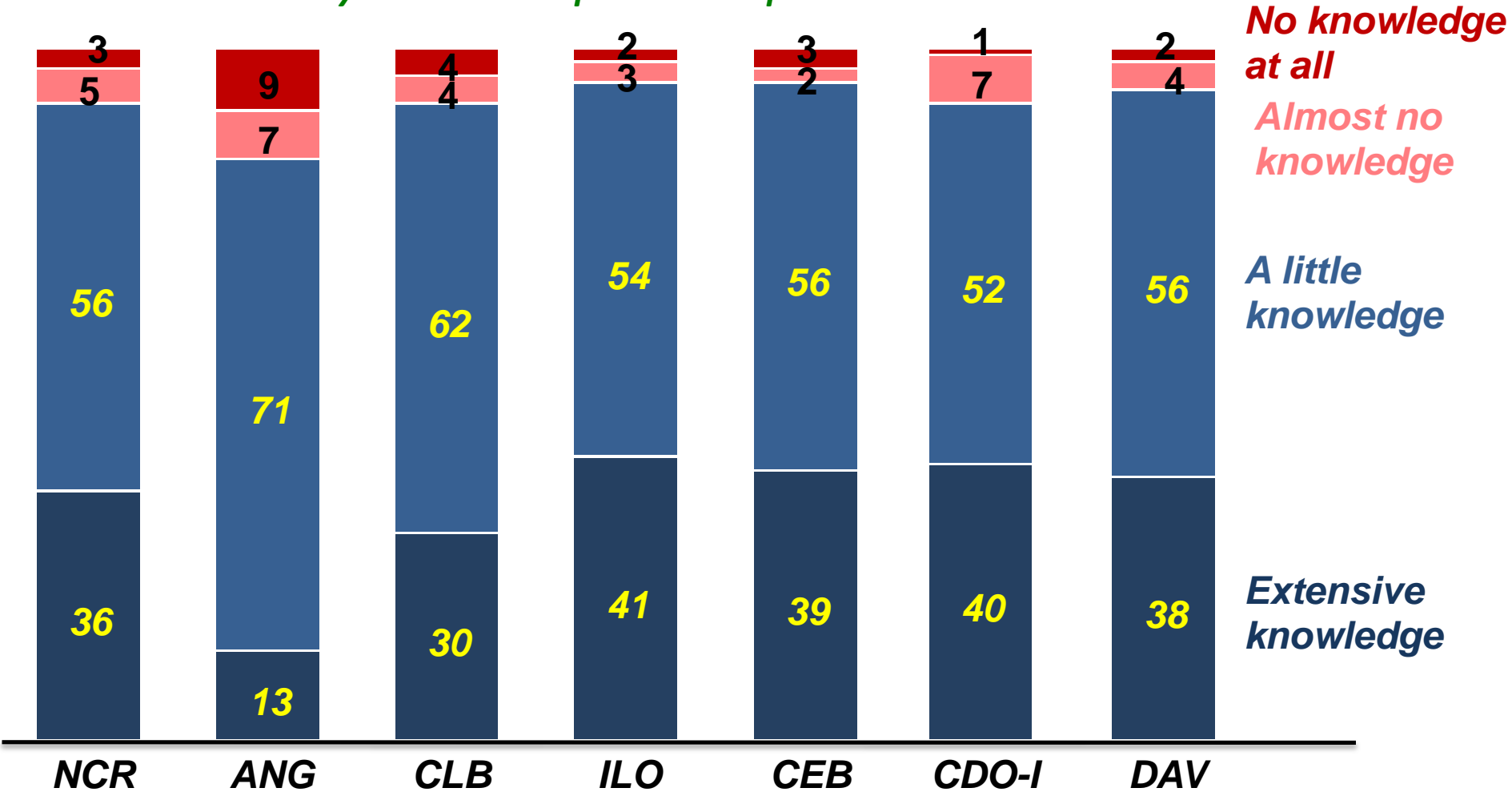
Base: Total Who Say There Is Corruption in the Public Sector



Q39. When was the last time you had personal knowledge of a corrupt transaction with government by a company in your sector of business?

EXTENT OF KNOWLEDGE OF THE CURRENT ADMINISTRATION'S ANTI-CORRUPTION EFFORTS, BY AREA, 2013

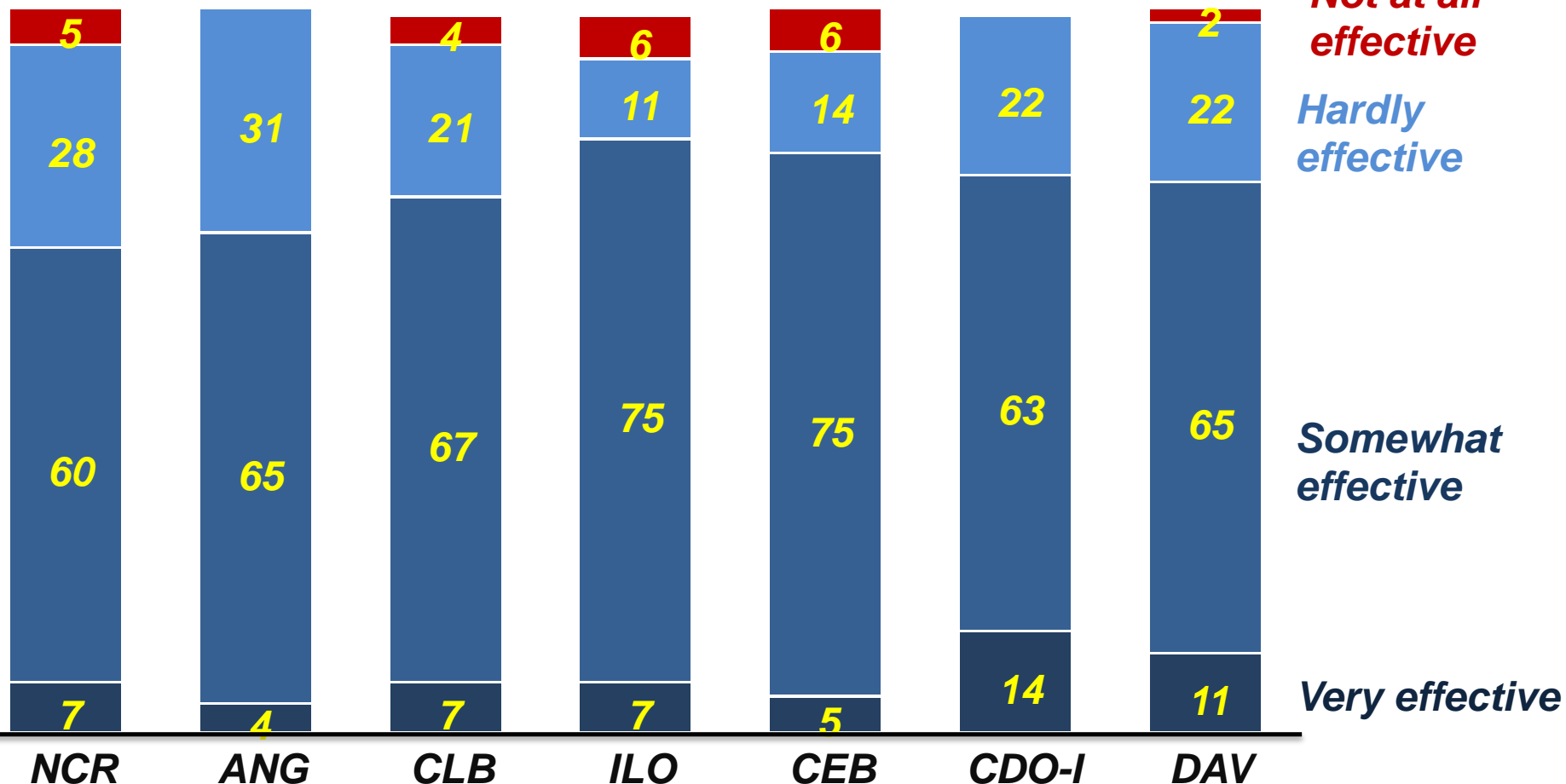
Base: Those who say there is corruption in the public sector



Q42. How much do you know about the current efforts of the government to fight corruption?

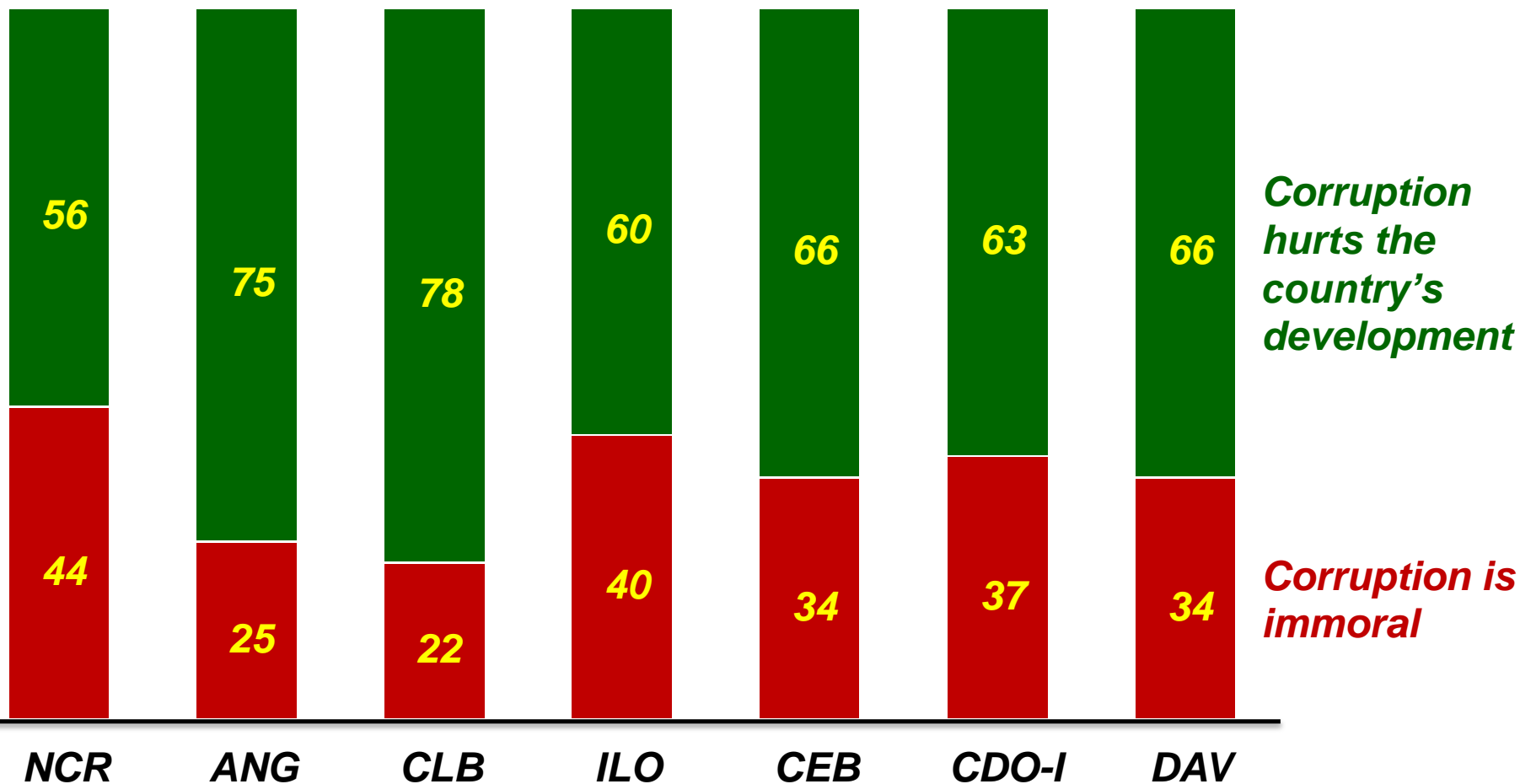
EFFECTIVENESS OF THE STEPS TAKEN BY THE CURRENT ADMIN TO ERADICATE GRAFT AND CORRUPTION, BY AREA, 2012 AND 2013

Base: Those who know about the government's anti-corruption efforts



Q43. In your opinion, how effective are the steps being taken by the present administration to eradicate corruption in our country? Are the steps being taken by government...?

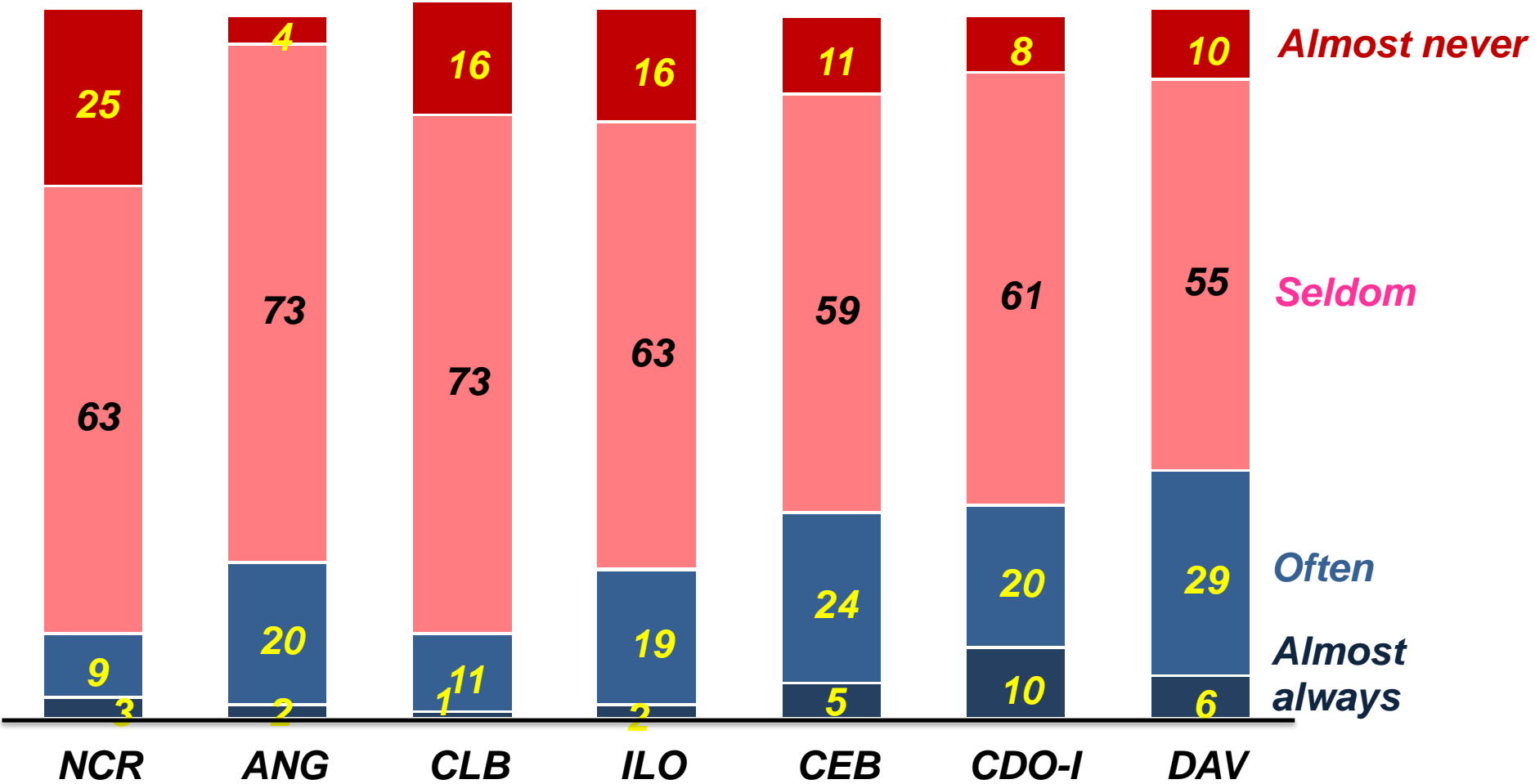
WHETHER CORRUPTION IS WRONG BECAUSE IT IS IMMORAL OR BECAUSE IT HURTS THE COUNTRY'S DEVELOPMENT, BY AREA, 2013



Q2. Which of these two statements is closer to your opinion? [GRAFT AND CORRUPTION IS WRONG BECAUSE IT IS IMMORAL; GRAFT AND CORRUPTION IS WRONG BECAUSE IT HURTS THE COUNTRY'S DEVELOPMENT]

OPINION ON HOW OFTEN THE GOV'T PUNISHES CORRUPT GOV'T OFFICIALS, BY AREA, 2013

Base: Those who know about the government's anti-corruption efforts



Q40. In your opinion, how often does the government punish corrupt government officials?

2) SINCERITY IN FIGHTING CORRUPTION

*Ratings of sincerity of 24 government institutions in fighting corruption: **Status in 2013***

- **1 Excellent (+70 and above): Office of the President**
- **4 Very Goods (+50 to +69): DTI, DOH, SSS, DSWD**
- **4 Goods (+30 to +49): DepEd, DOLE, Supreme Court, DOJ**
- **5 Moderates (+10 to +29): city govt, Ombudsman, COA, DILG, Sandiganbayan**
- **6 Neutrals (+9 to -9): trial courts, DBM, DOTC, Comelec, DENR, Senate**
- **4 Pooors (-10 to -29): BIR, DPWH, PNP, House of Reps**
- **1 Bad (-30 to -29): LTO**
- **1 Very Bad (-50 to -69): BOC**

Ratings of sincerity of 24 government institutions in fighting corruption: *Movements from 2009/2012 to 2013*

- **5 upgrades:** SSS, Supreme Court, DOJ (up 2 grades), COA, Comelec
- **11 no-change or first-time ratings:** OP, DTI, DOH, DSWD (new), DOLE (new), city govt, Sandiganbayan, DENR, BIR, DPWH, PNP
- **10 downgrades:** DepEd, Ombudsman, DILG, DBM, DOTC, Senate (down 2 grades), trial courts, House of Reps, LTO, BOC

NET SINCERITY RATINGS IN FIGHTING CORRUPTION: UPGRADES in 2013 vs 2012 2009, 2012, AND 2013

	<u>2009</u>	<u>2012</u>	<u>2013</u>
SSS	+40 G	---	+52 VG
Supreme Court	+40 G	+24 M	+36 G
<u>DOJ</u>	<u>-5 N</u>	<u>---</u>	<u>+35 G</u>
COA	+8 N	---	+22 M
COMELEC	-8 N	-13 P	+ 7 N

EX – Excellent +70 and above; VG – Very good +50 to +69; G – Good +30 to +49; M – Moderate +10 to +29, N – Neutral +9 to -9; P – Poor -10 to -29; B – Bad -30 to -49; VB – Very bad -50 to -69; EC – Execrable -70 and below.

NET SINCERITY RATINGS IN FIGHTING CORRUPTION: NO GRADE-CHANGE IN 2013 vs 2012 2009, 2012, AND 2013

	<u>2009</u>	<u>2012</u>	<u>2013</u>
Office of the President	-37 B	+80 EX	+77 EX
DTI	+38 G	+59 VG	+58 VG
DOH	+37 G	+61 VG	+53 VG
DSWD	---	---	+52 VG
DOLE	---	---	+43 G
Your City gov't	+35 G	+21 M	+23 M
Sandiganbayan	+ 8 N	+27 M	+15 M
DENR	-34 B	+ 1 N	- 4 N
BIR	-57 VB	-20 P	-10 P
DPWH	-65 VB	-21 P	-22 P
PNP	-17 P	-12 P	-24 P

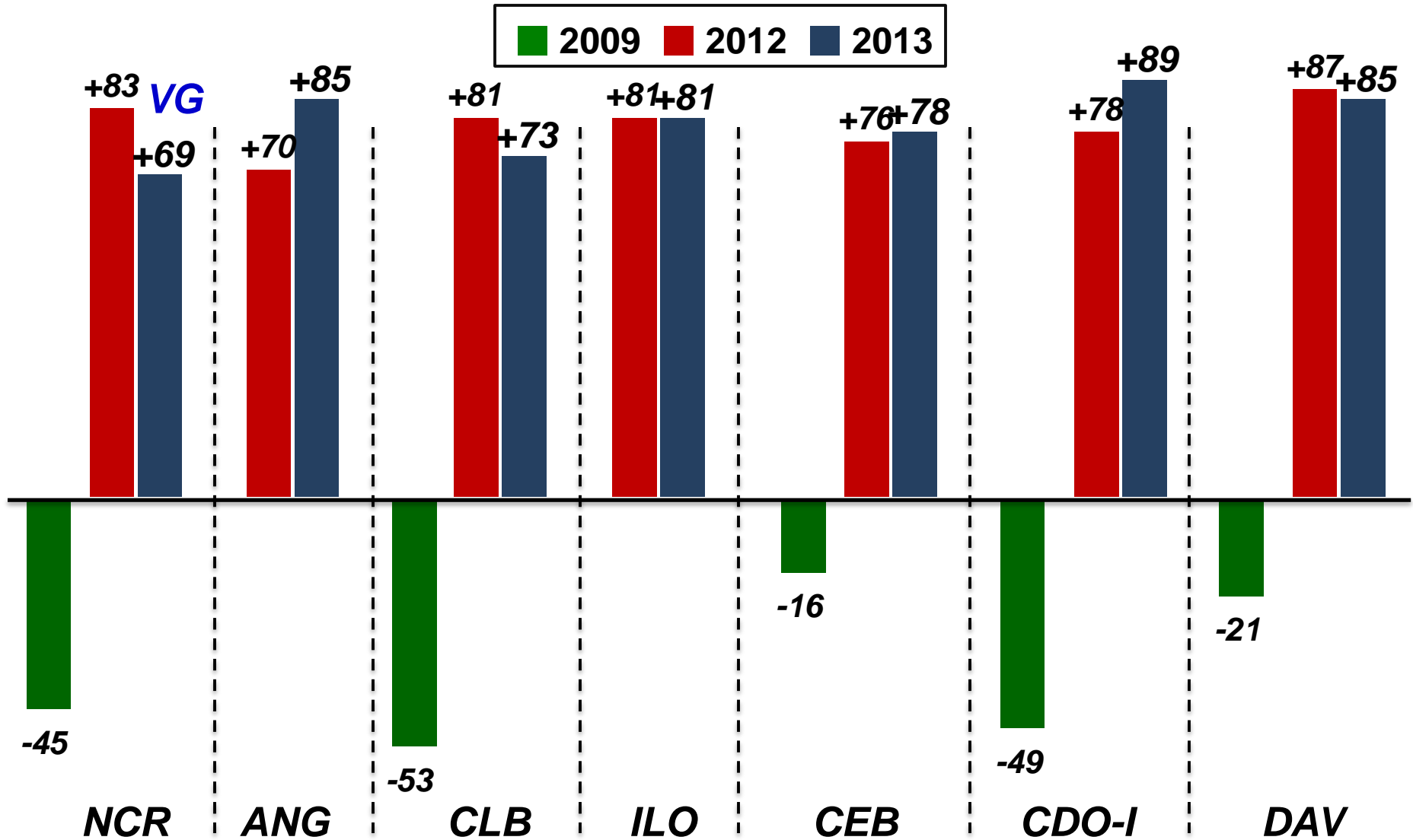
EX – Excellent +70 and above; VG – Very good +50 to +69; G – Good +30 to +49; M – Moderate +10 to +29, N – Neutral +9 to -9; P – Poor -10 to -29; B – Bad -30 to -49; VB – Very bad -50 to -69; EC – Execrable -70 and below.

NET SINCERITY RATINGS IN FIGHTING CORRUPTION: **DOWNGRADES in 2013 vs 2012** **2009, 2012, AND 2013**

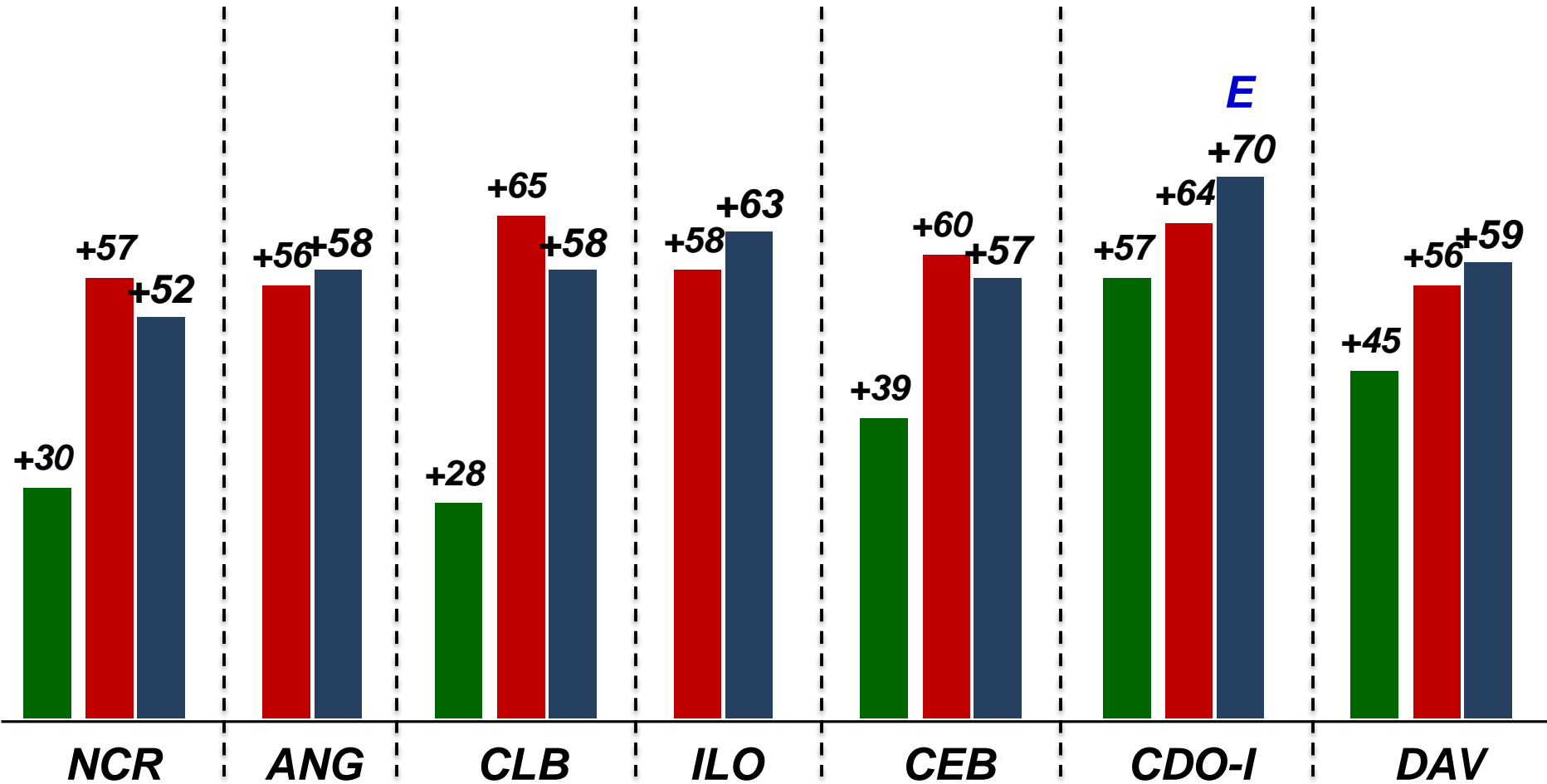
	<u>2009</u>	<u>2012</u>	<u>2013</u>
DepEd	net 0 N	+51 VG	+49 G
OMB	- 8 N	+39 G	+23 M
DILG	-25 P	+30 G	+20 M
DBM	-17 P	+23 M	+ 9 N
Trial Courts	+11 M	---	+ 9 N
DOTC	-30 B	+10 M	+ 8 N
<u>Senate</u>	<u>- 1 N</u>	<u>+36 G</u>	<u>- 8 N</u>
House of Reps.	-34 B	- 6 N	-28 P
LTO	-39 B	-26 P	-32 B
BOC	-69 VB	-46 B	-63 VB

EX – Excellent +70 and above; VG – Very good +50 to +69; G – Good +30 to +49; M – Moderate +10 to +29, N – Neutral +9 to -9; P – Poor -10 to -29; B – Bad -30 to -49; VB – Very bad -50 to -69; EC – Execrable -70 and below.

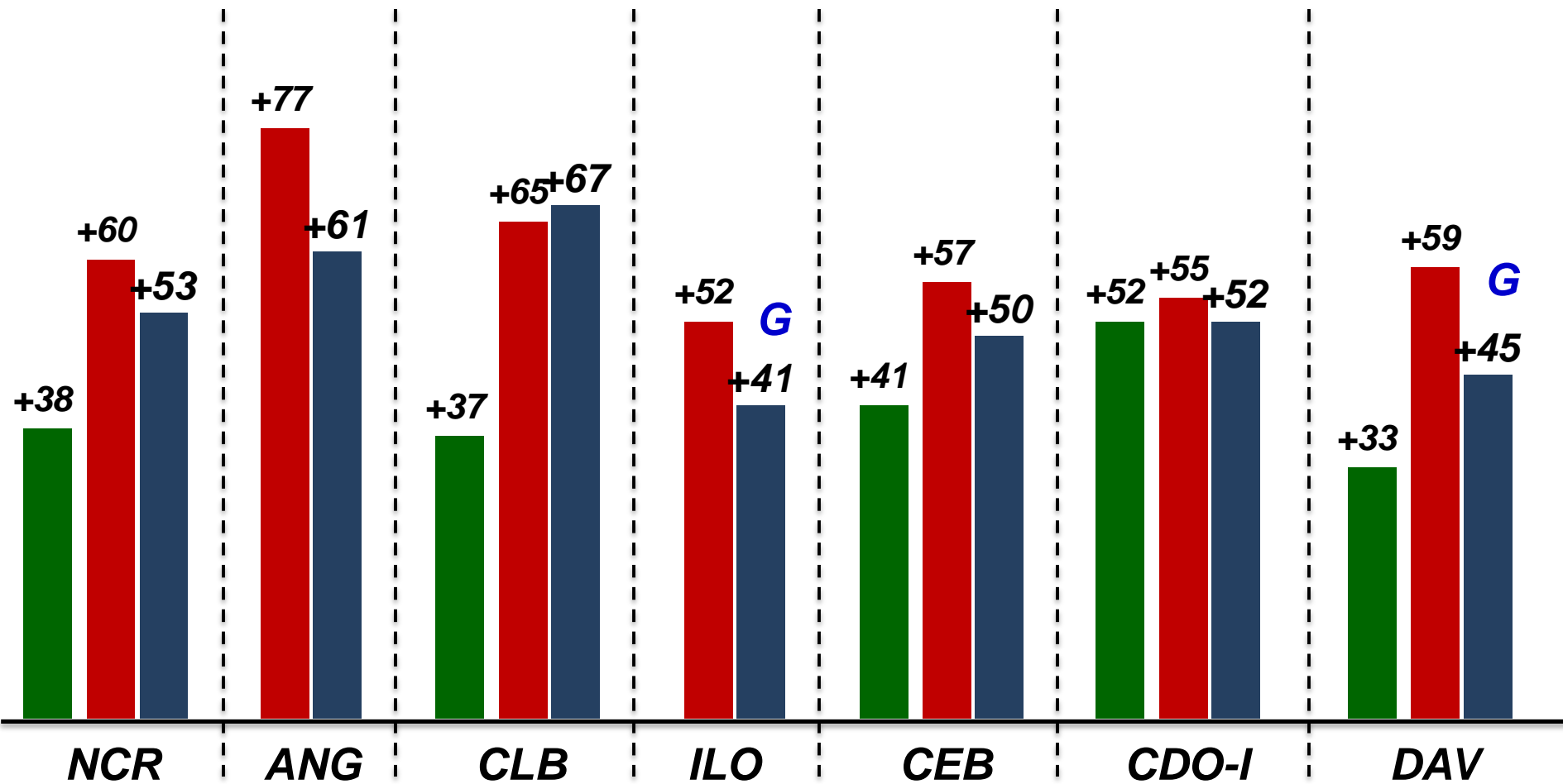
EXCELLENT IN FIGHTING CORRUPTION: OFFICE OF THE PRESIDENT, BY AREA, 2009 TO 2013



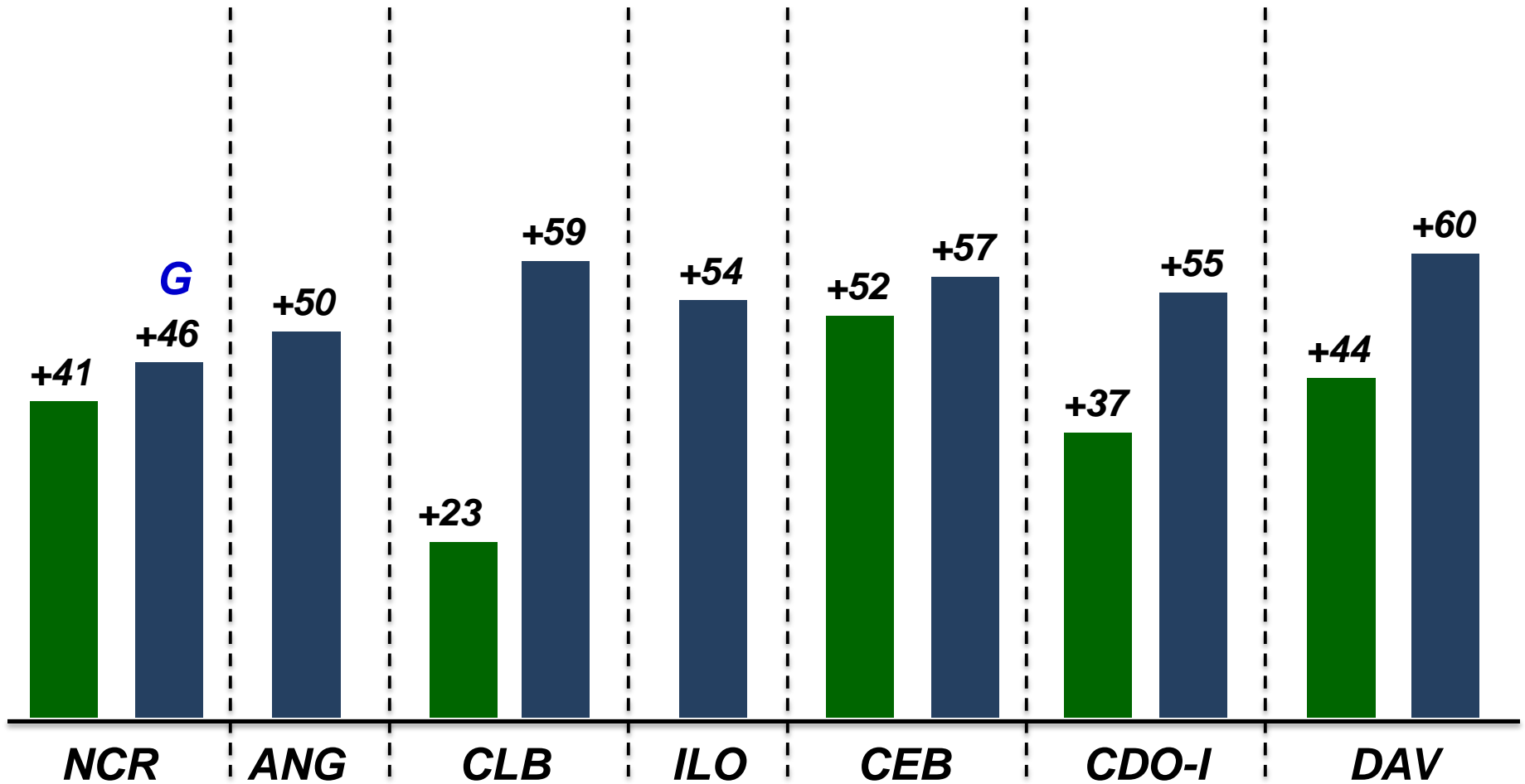
VERY GOOD IN FIGHTING CORRUPTION: DTI, BY AREA, 2009 TO 2013



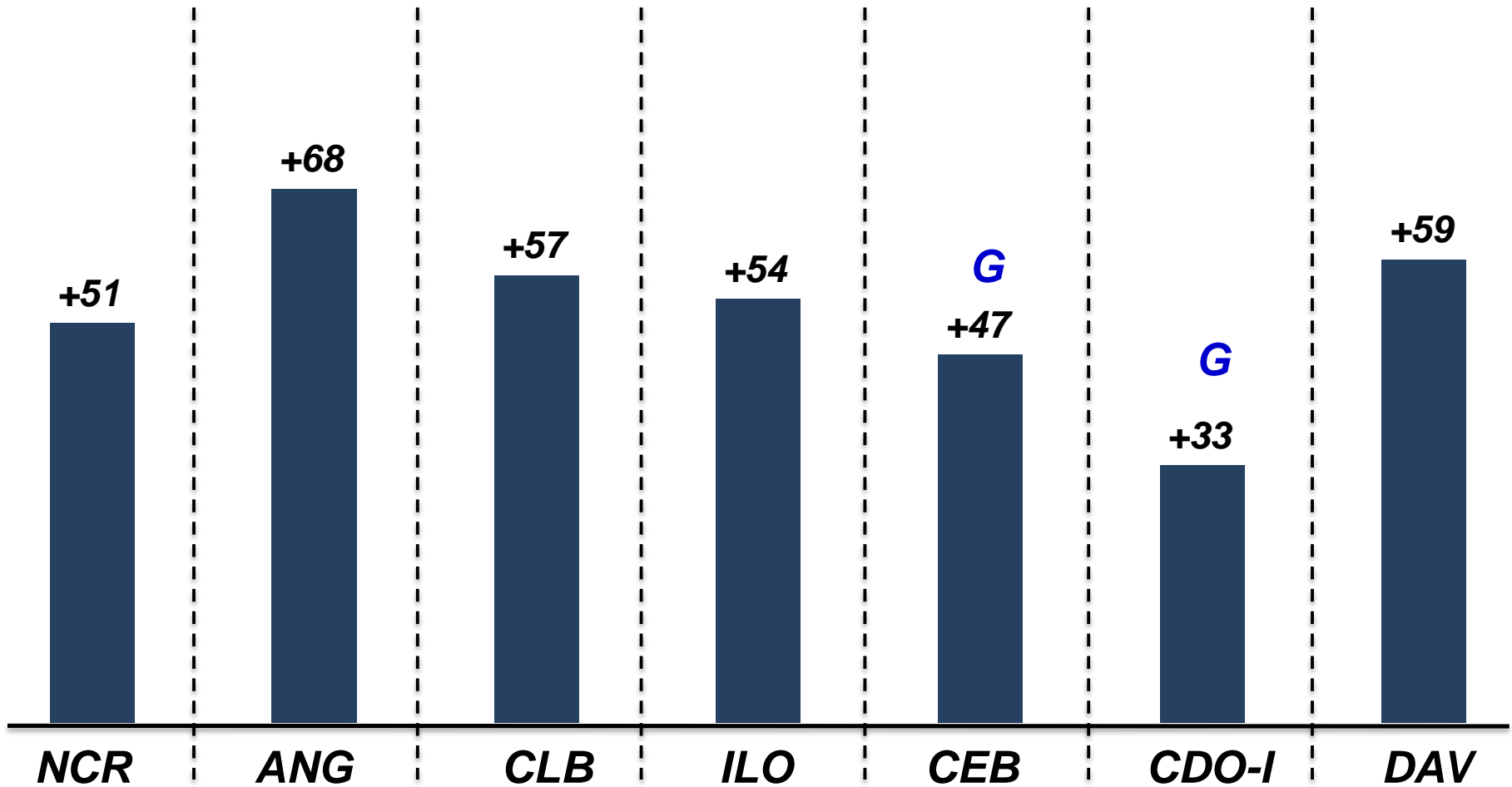
VERY GOOD IN FIGHTING CORRUPTION: DOH, BY AREA, 2009 TO 2013



VERY GOOD IN FIGHTING CORRUPTION: SSS, BY AREA, 2009 AND 2013

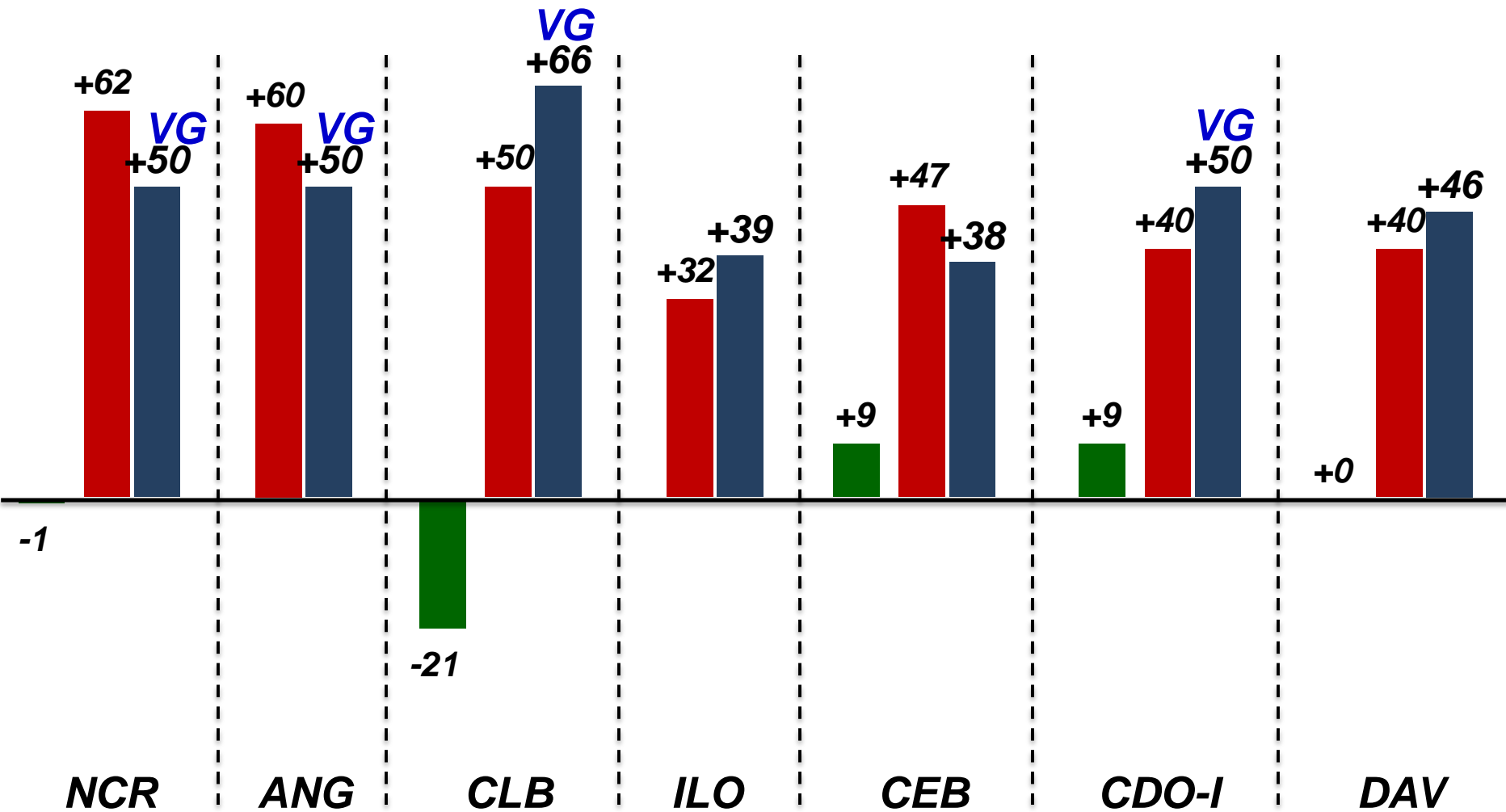


VERY GOOD IN FIGHTING CORRUPTION: DSWD, BY AREA, 2013

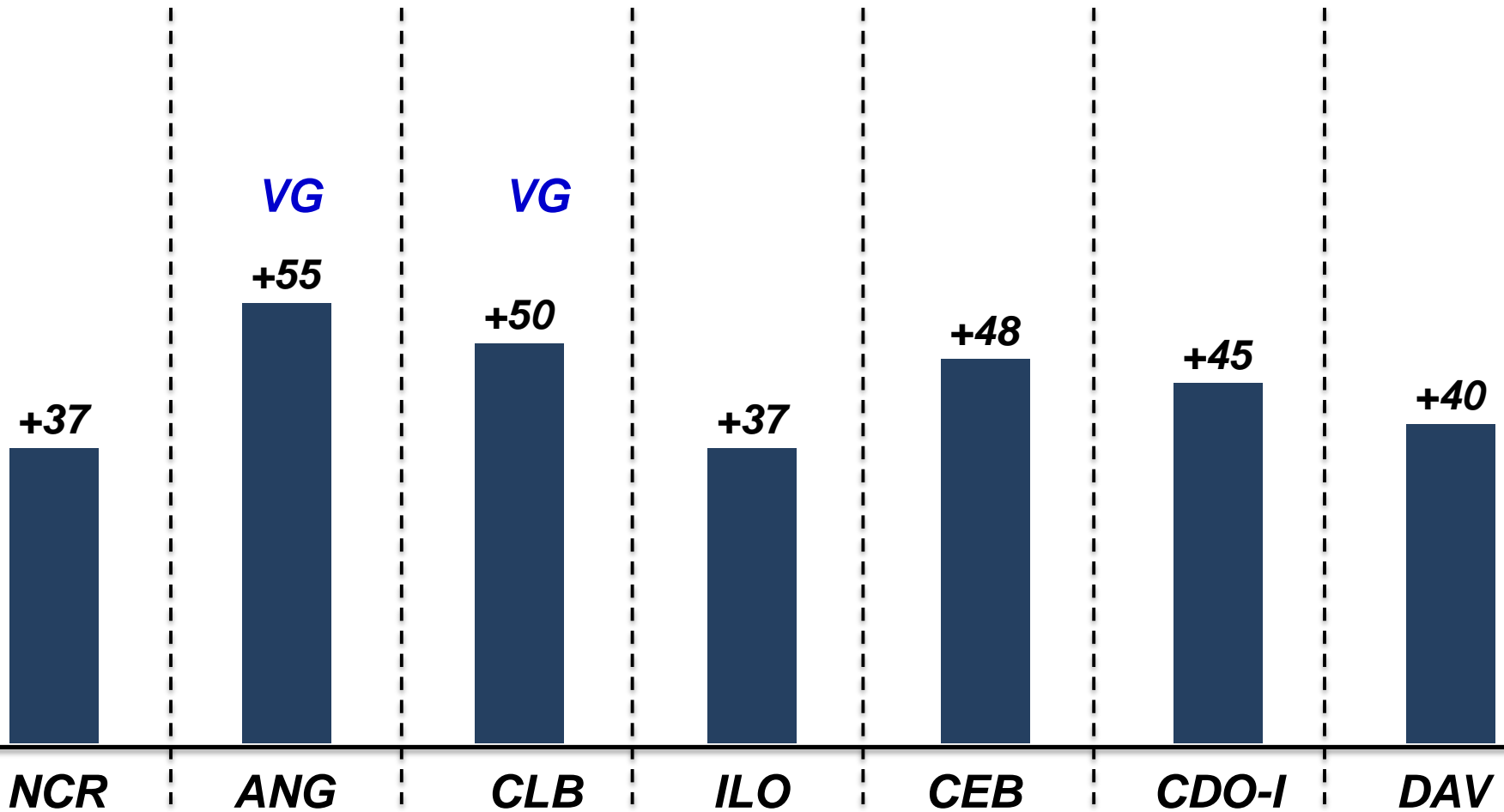


GOOD IN FIGHTING CORRUPTION: DEPED, BY AREA, 2009 TO 2013

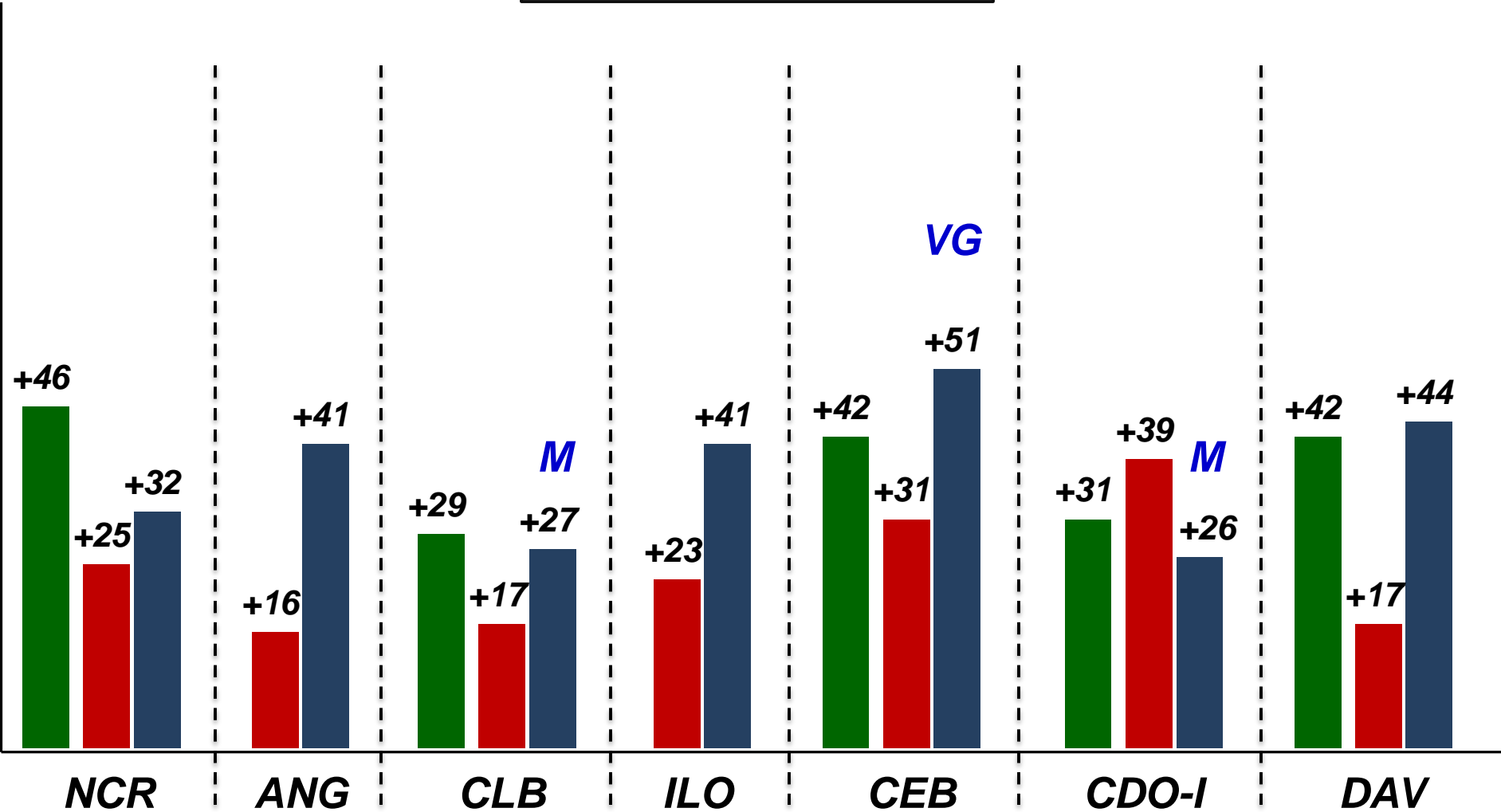
2009 2012 2013



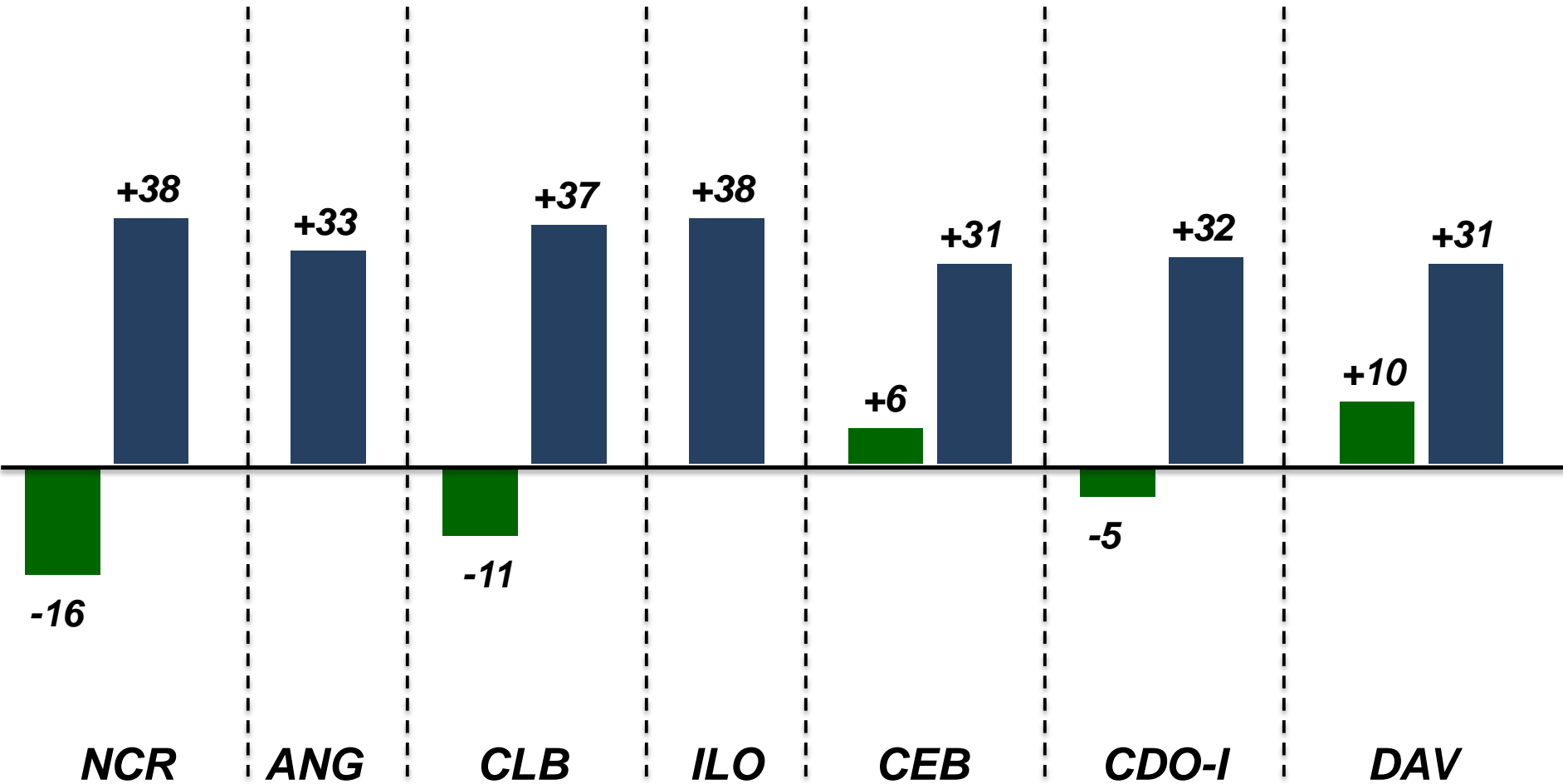
GOOD IN FIGHTING CORRUPTION: DOLE, BY AREA, 2013



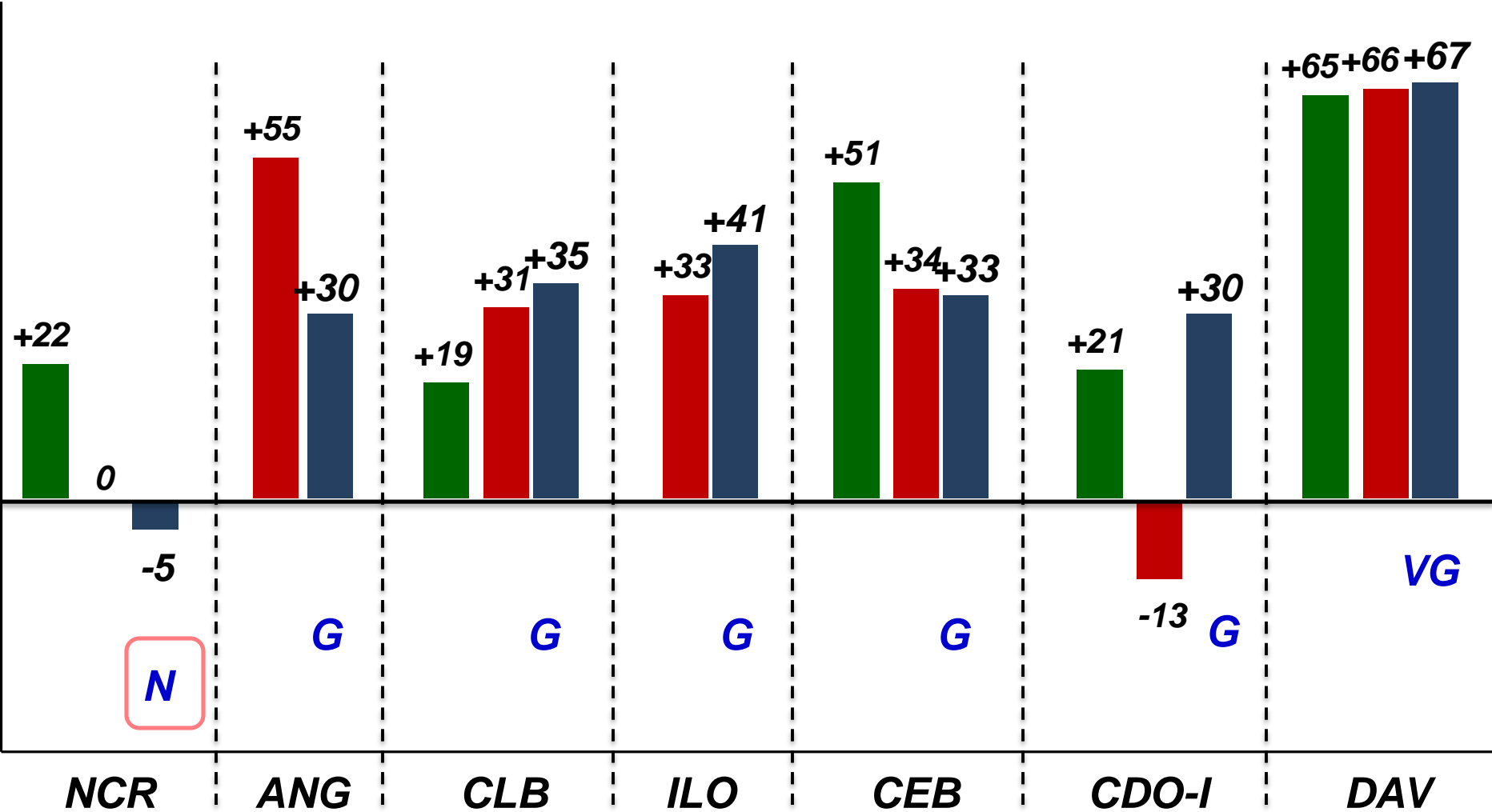
GOOD IN FIGHTING CORRUPTION: SUPREME COURT, BY AREA, 2009 TO 2013



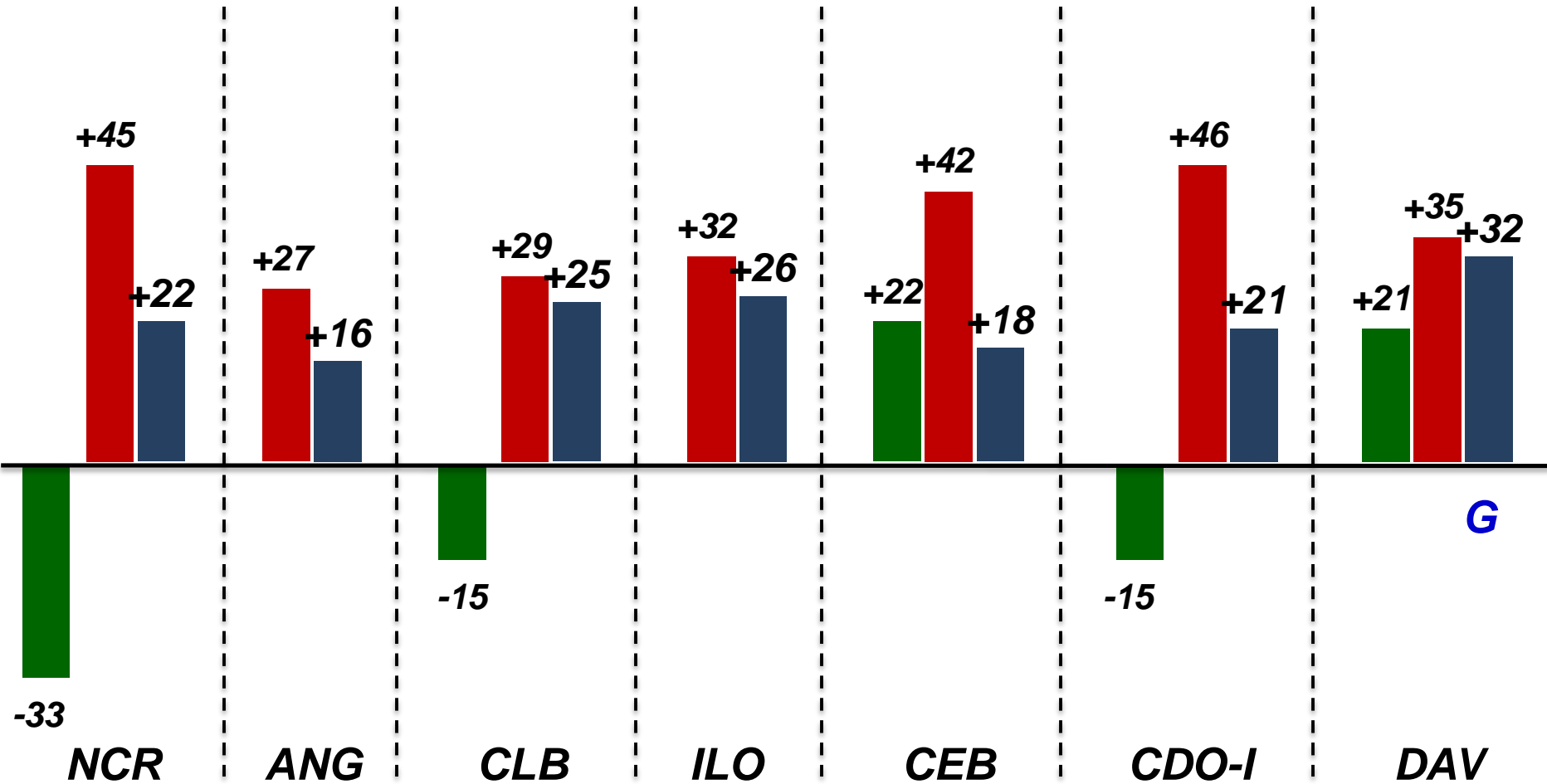
GOOD IN FIGHTING CORRUPTION: DOJ, BY AREA, 2009 AND 2013



"MODERATE" IN FIGHTING CORRUPTION: YOUR CITY GOVERNMENT, BY AREA, 2009 TO 2013

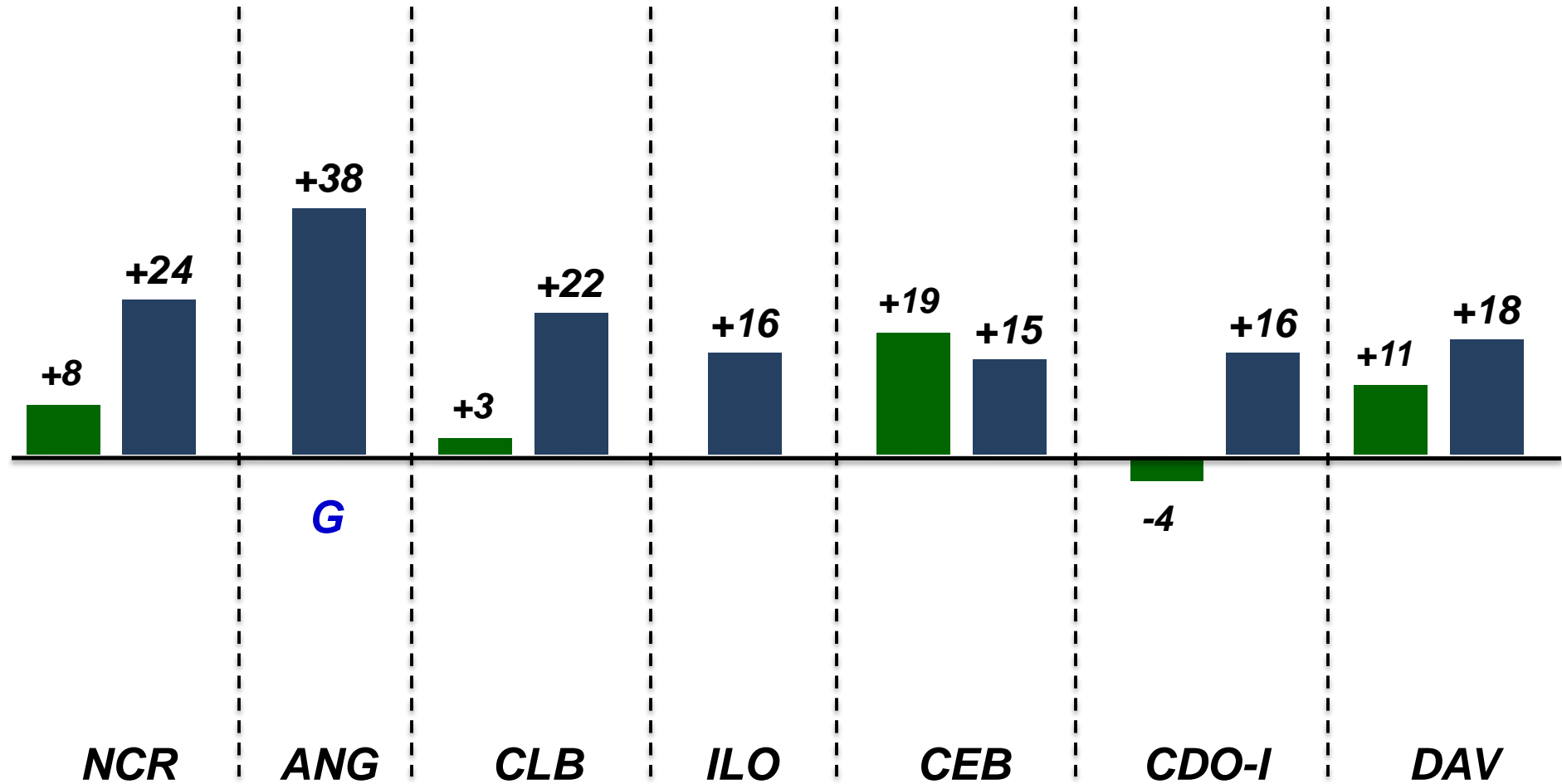


MODERATE IN FIGHTING CORRUPTION: OFFICE OF THE OMBUDSMAN, BY AREA, 2009 TO 2013

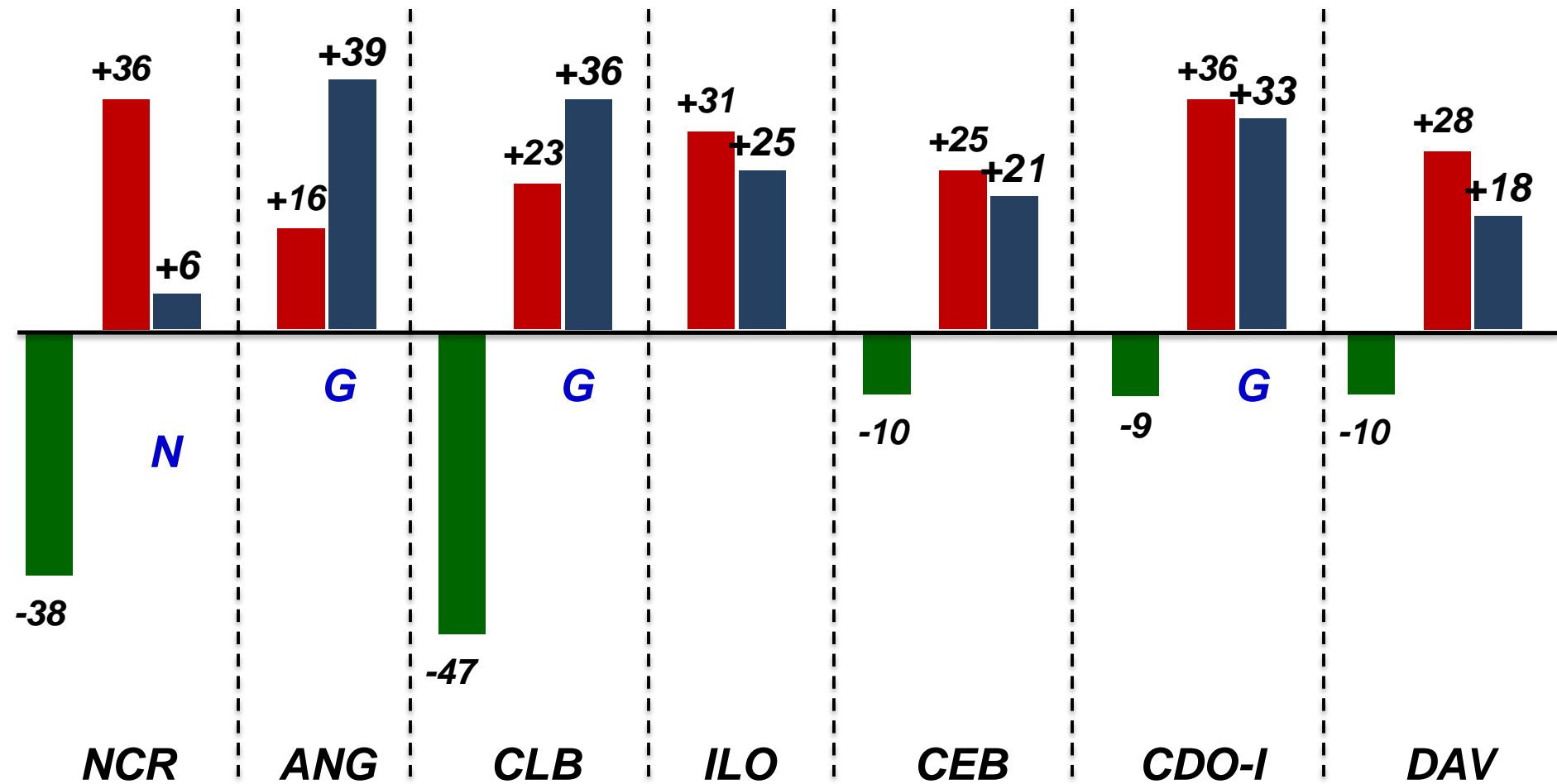


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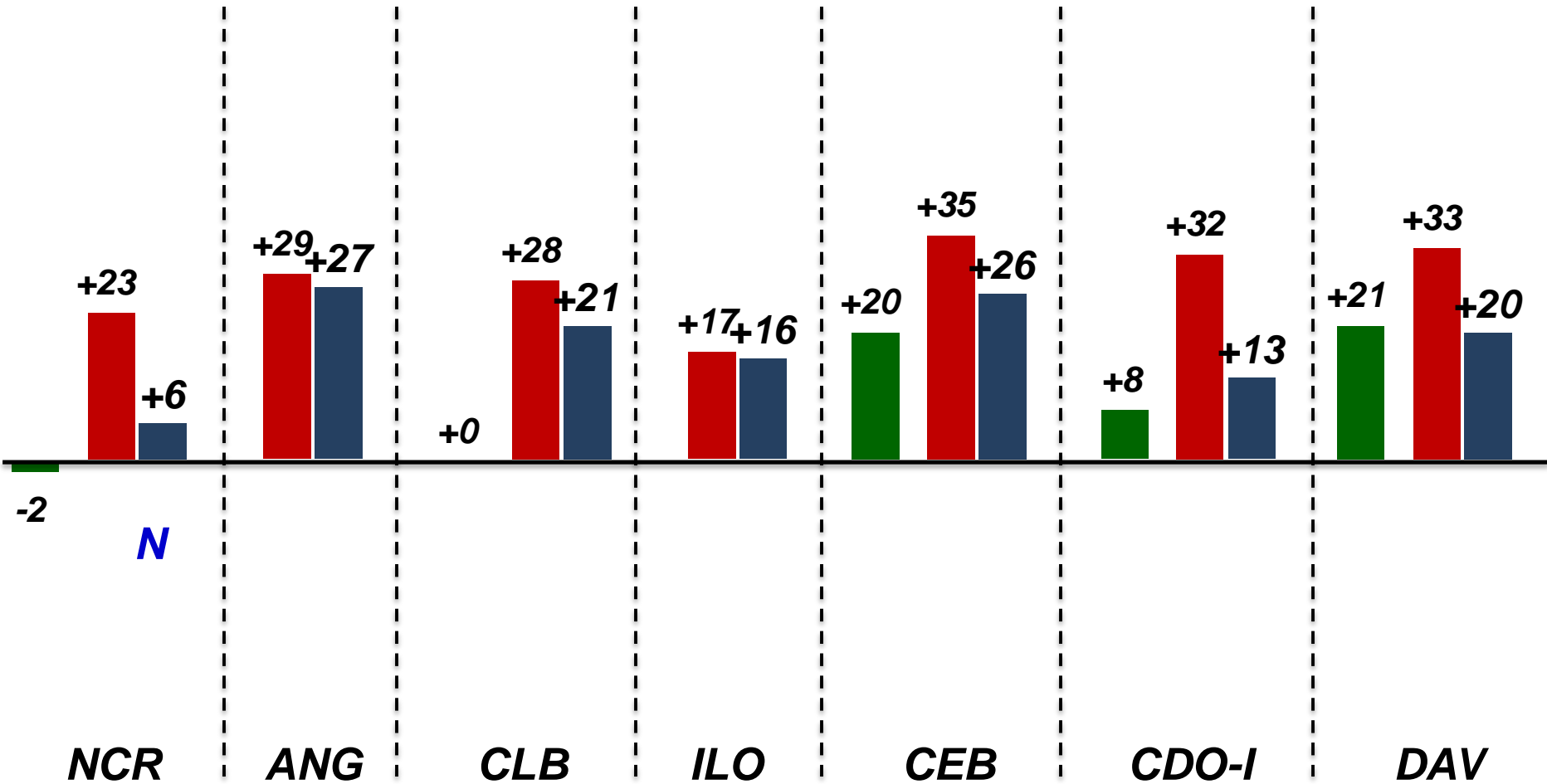
MODERATE IN FIGHTING CORRUPTION: COA, BY AREA, 2009 AND 2013



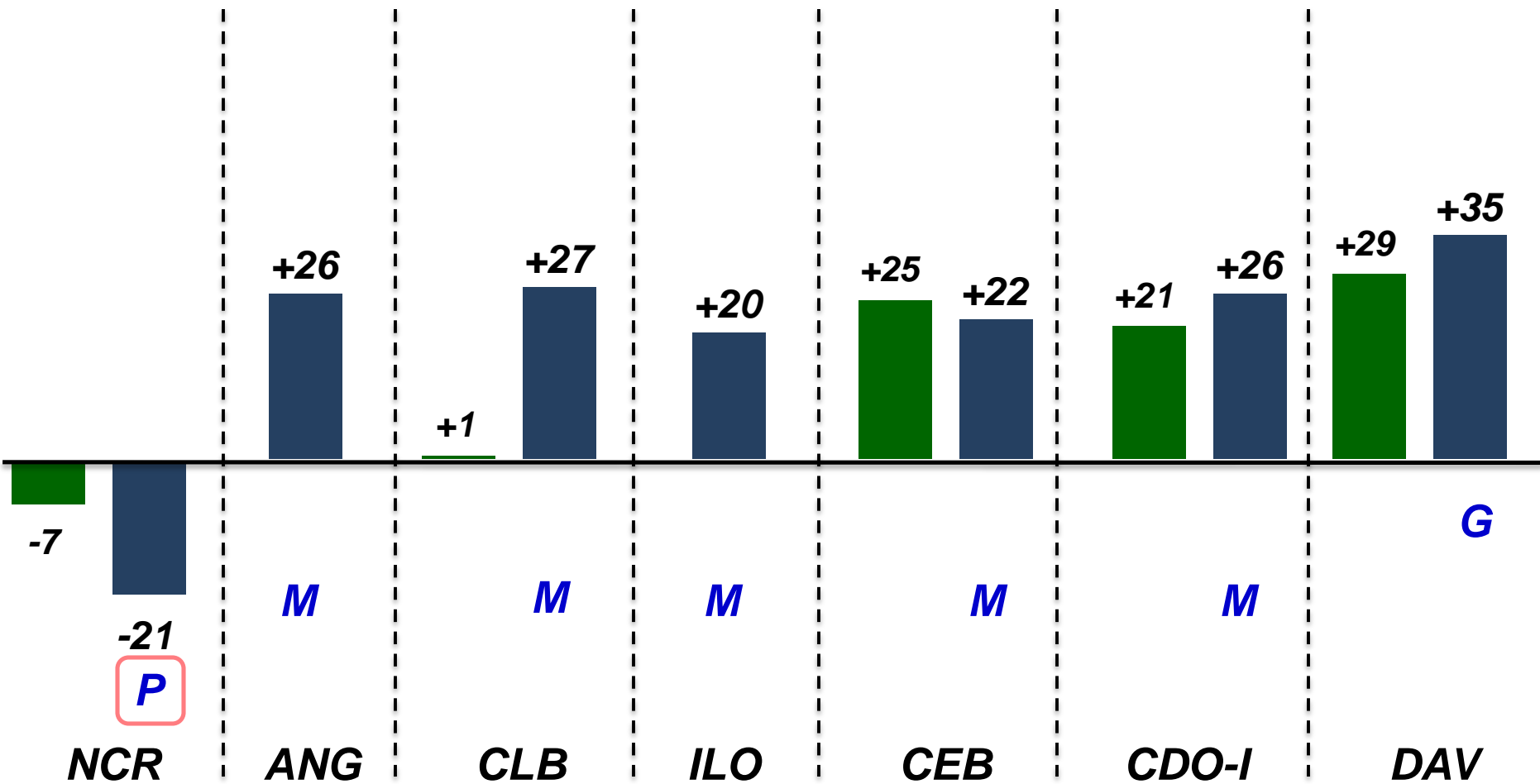
MODERATE IN FIGHTING CORRUPTION: DILG, BY AREA, 2009 TO 2013



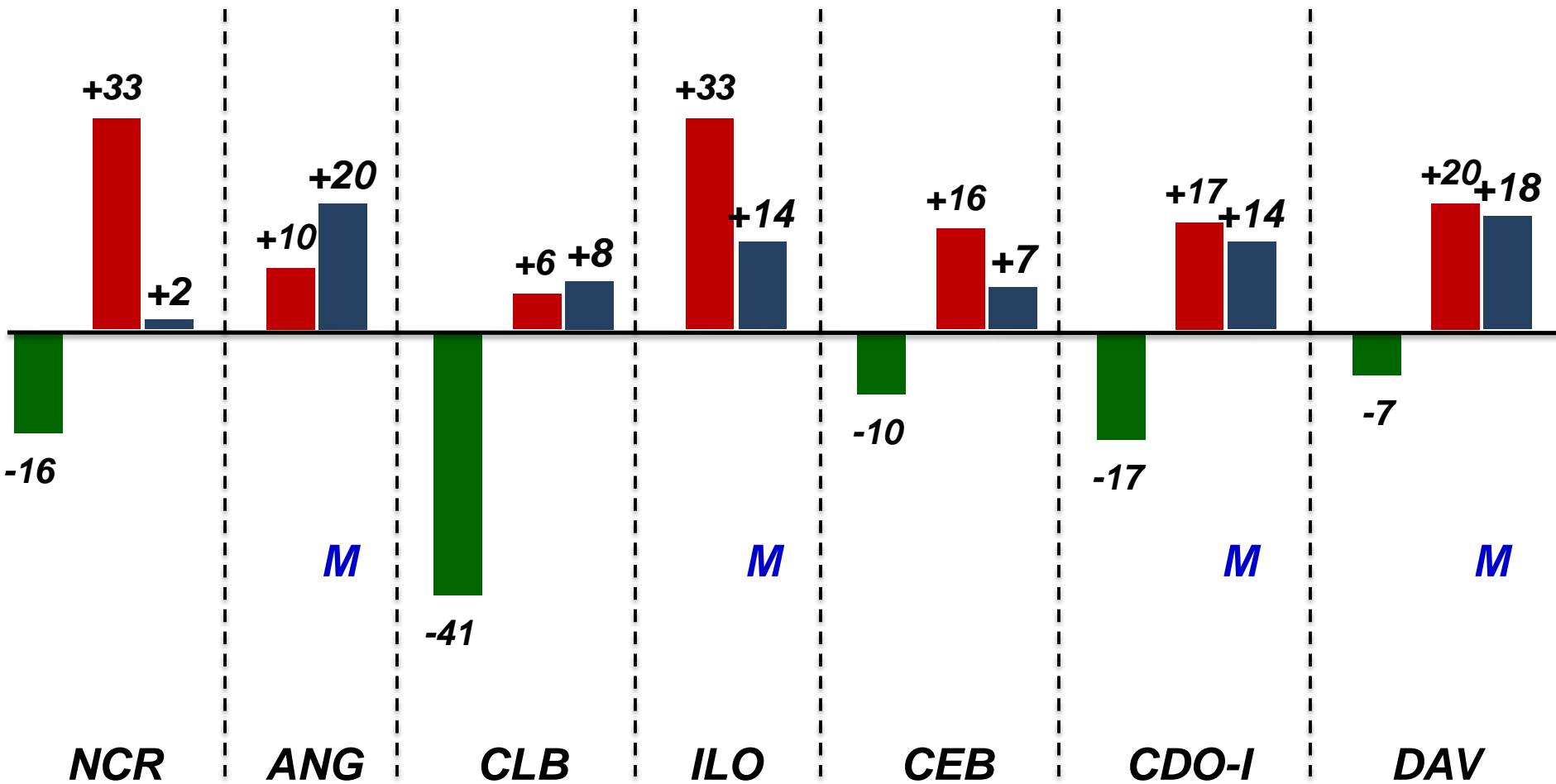
MODERATE IN FIGHTING CORRUPTION: SANDIGANBAYAN, BY AREA, 2009 TO 2013



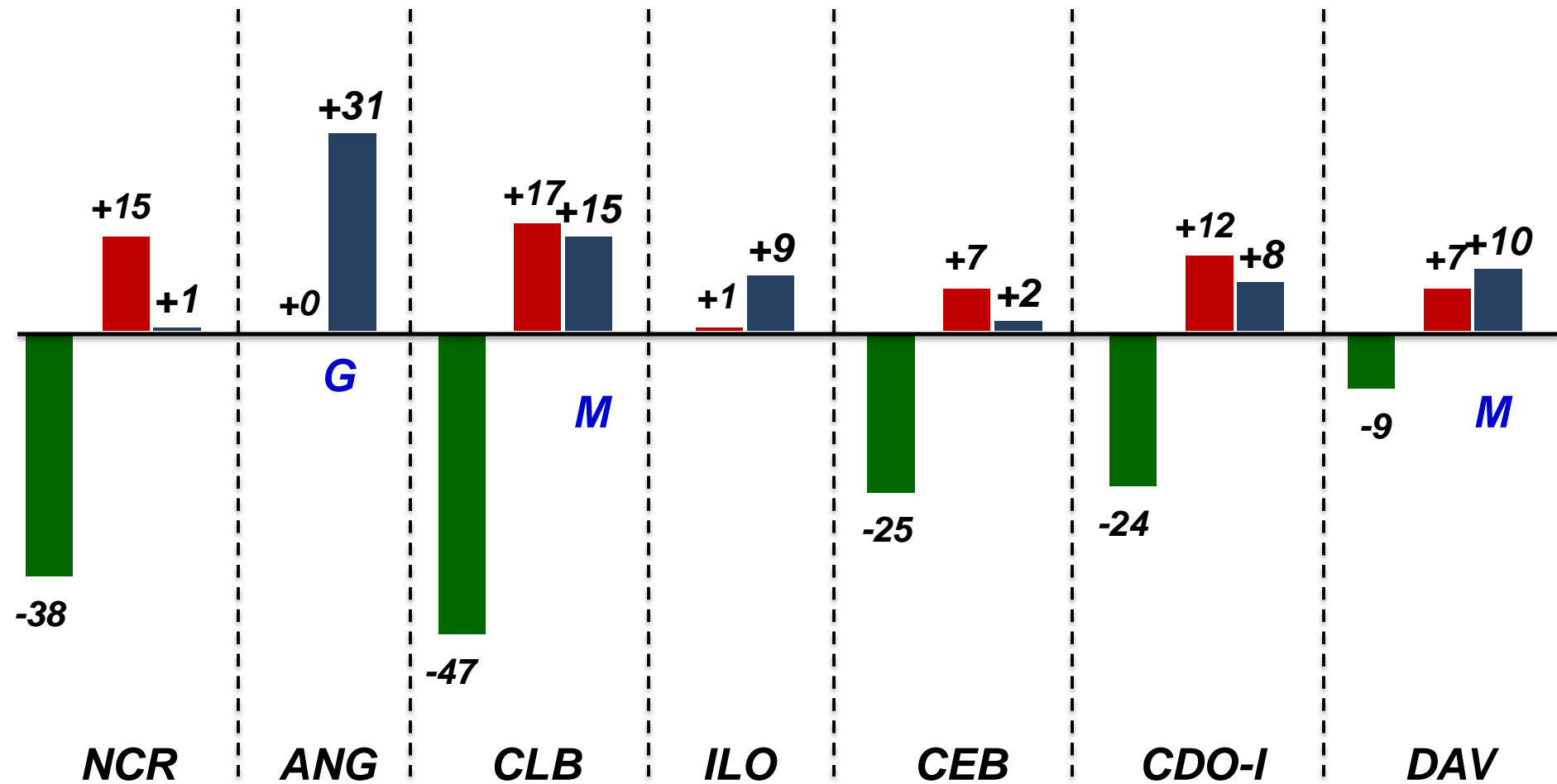
"NEUTRAL" IN FIGHTING CORRUPTION: TRIAL COURTS, BY AREA, 2009 AND 2013



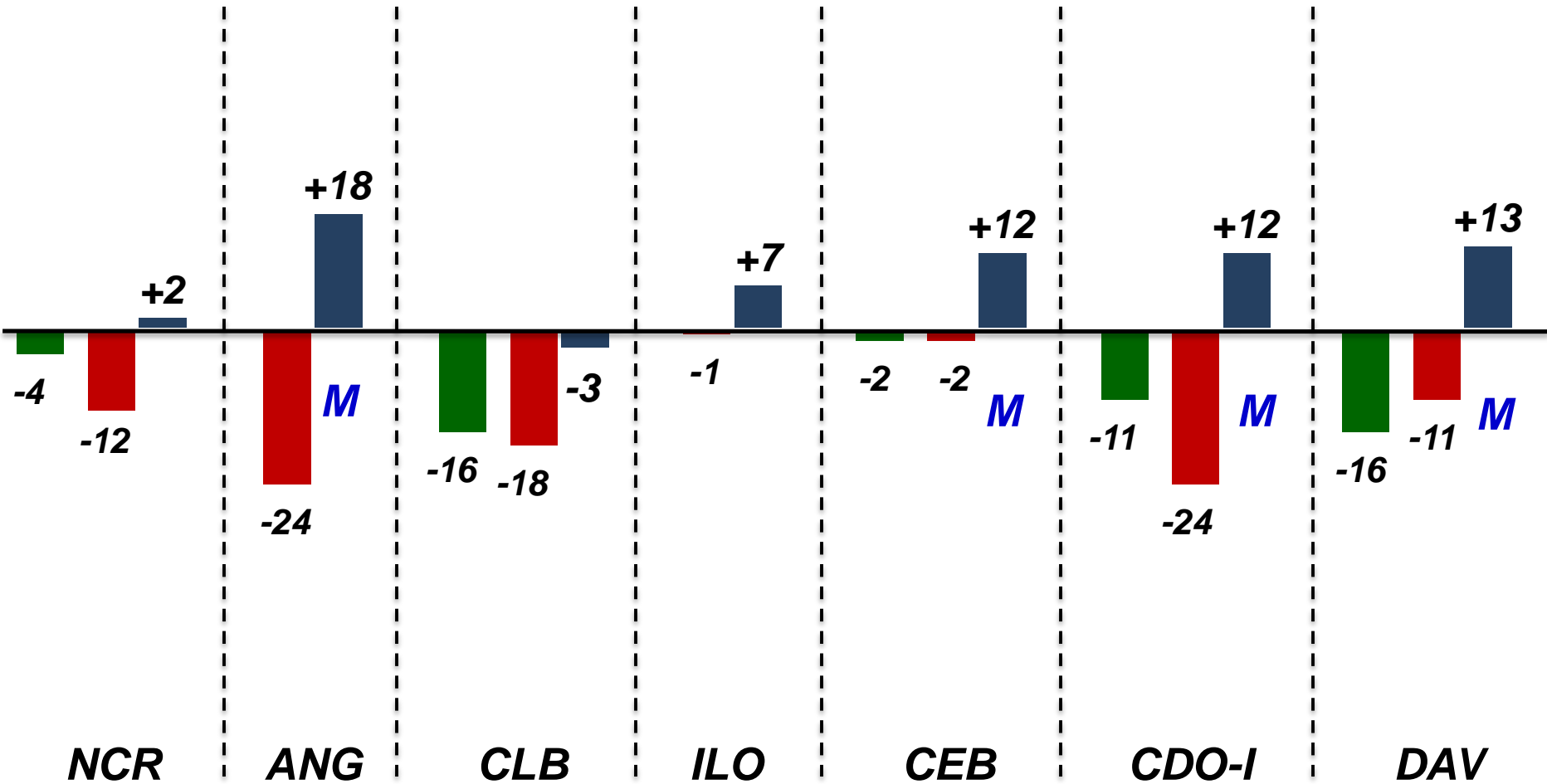
“NEUTRAL” IN FIGHTING CORRUPTION: DBM, BY AREA, 2009 TO 2013



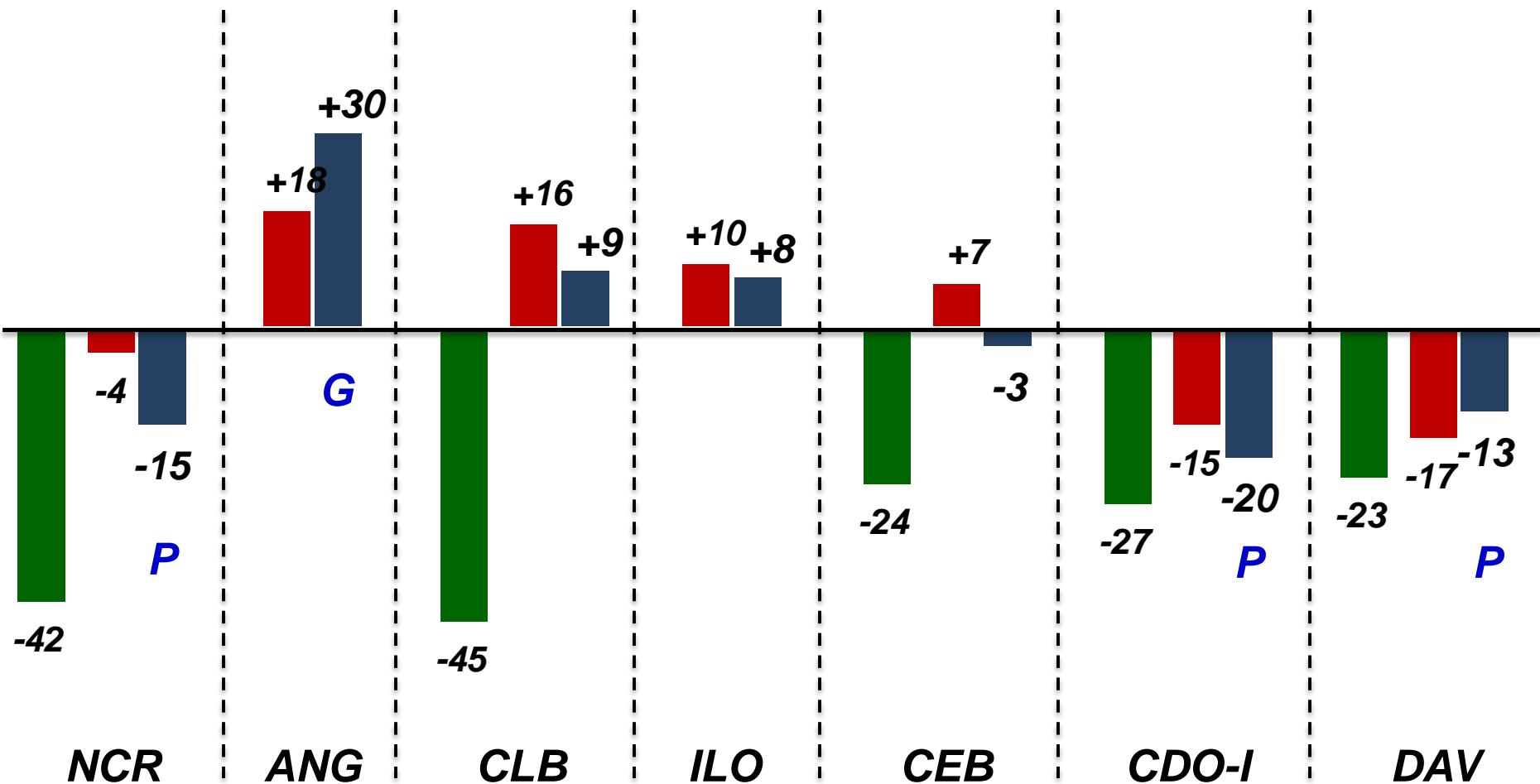
NEUTRAL IN FIGHTING CORRUPTION: DOTC, BY AREA, 2009 TO 2013



“NEUTRAL” IN FIGHTING CORRUPTION: COMELEC, BY AREA, 2009 TO 2013

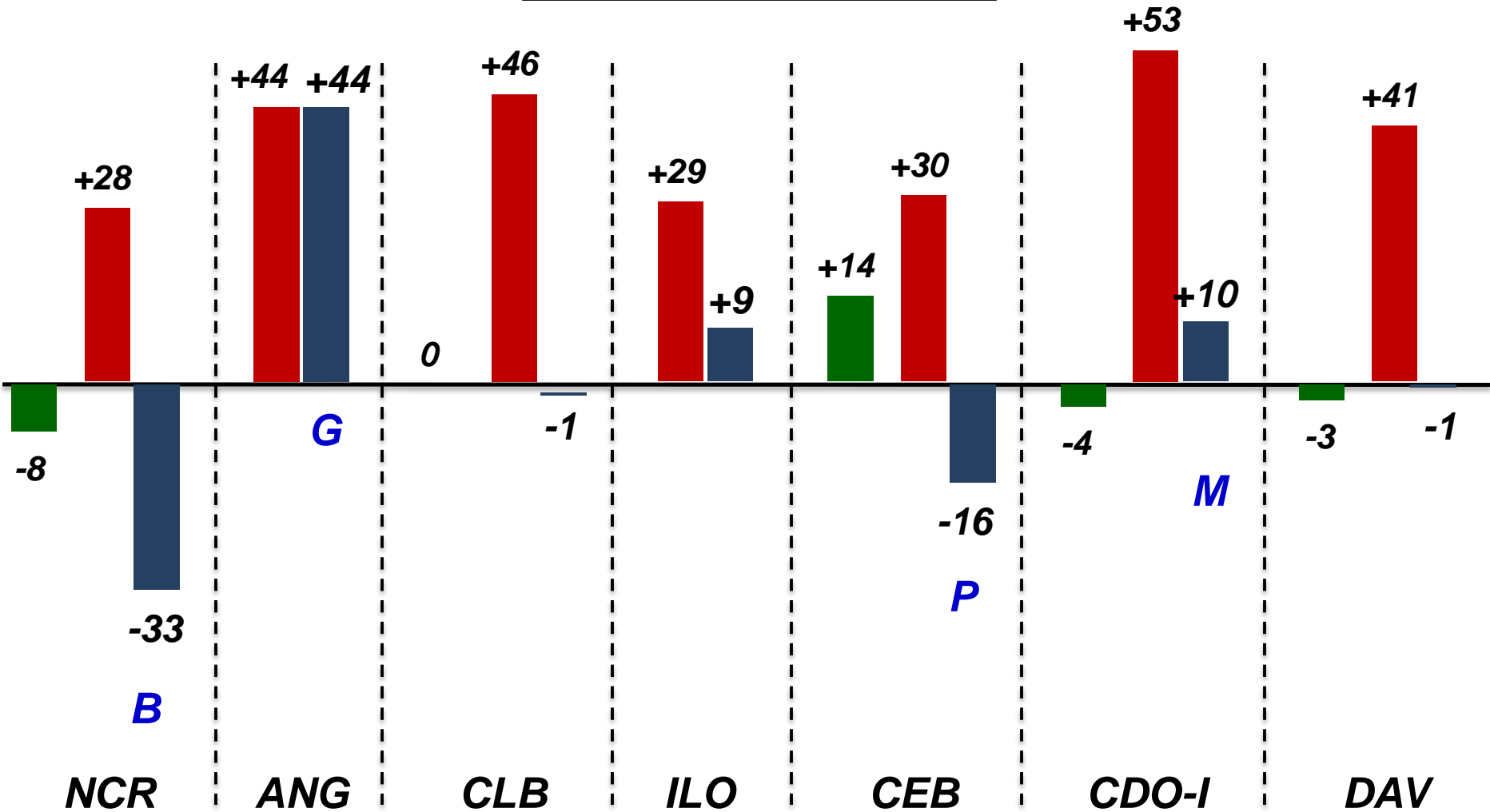


"NEUTRAL" IN FIGHTING CORRUPTION: DENR, BY AREA, 2009 TO 2013

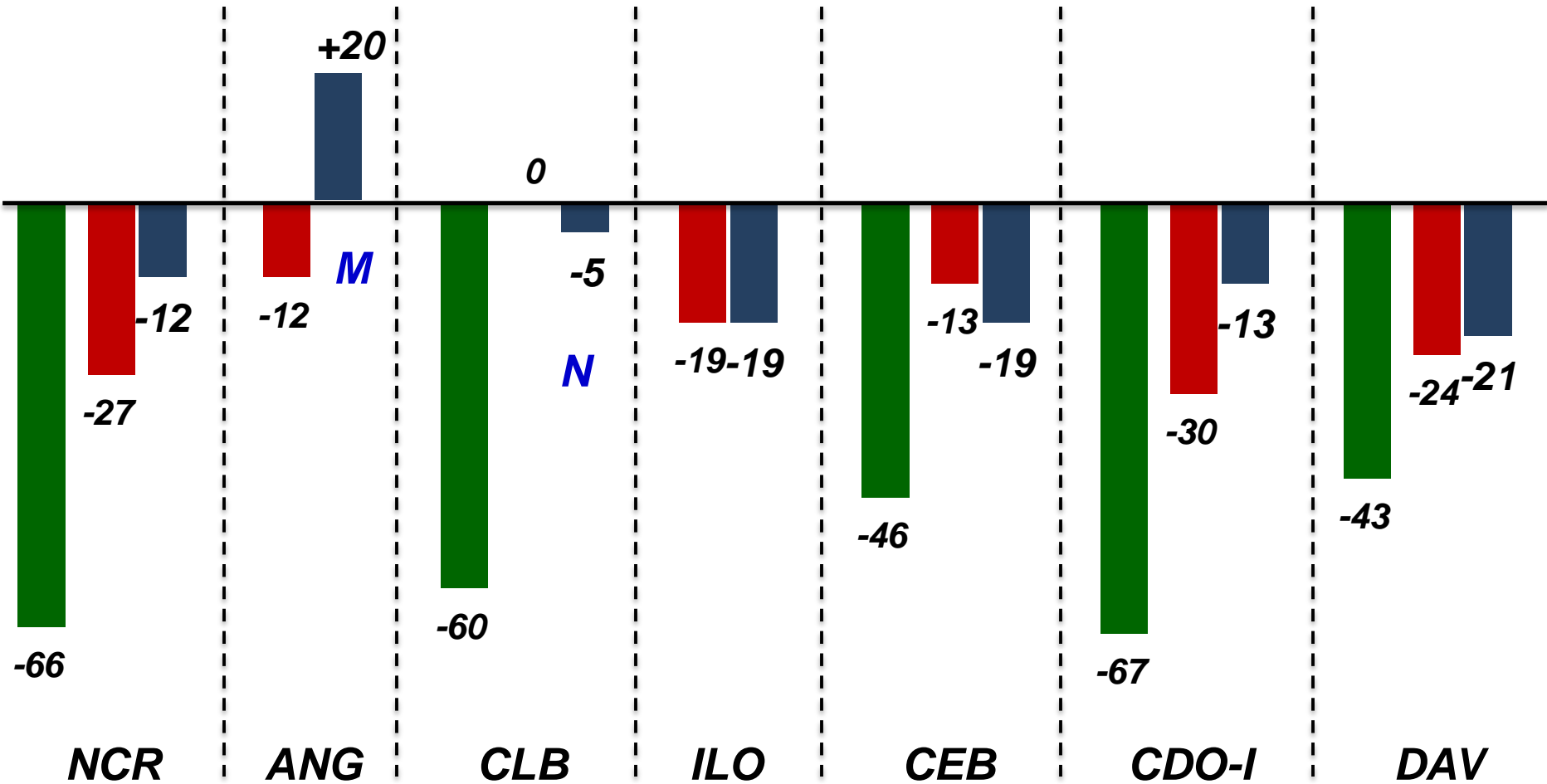


"NEUTRAL" IN FIGHTING CORRUPTION: SENATE, BY AREA, 2009 TO 2013

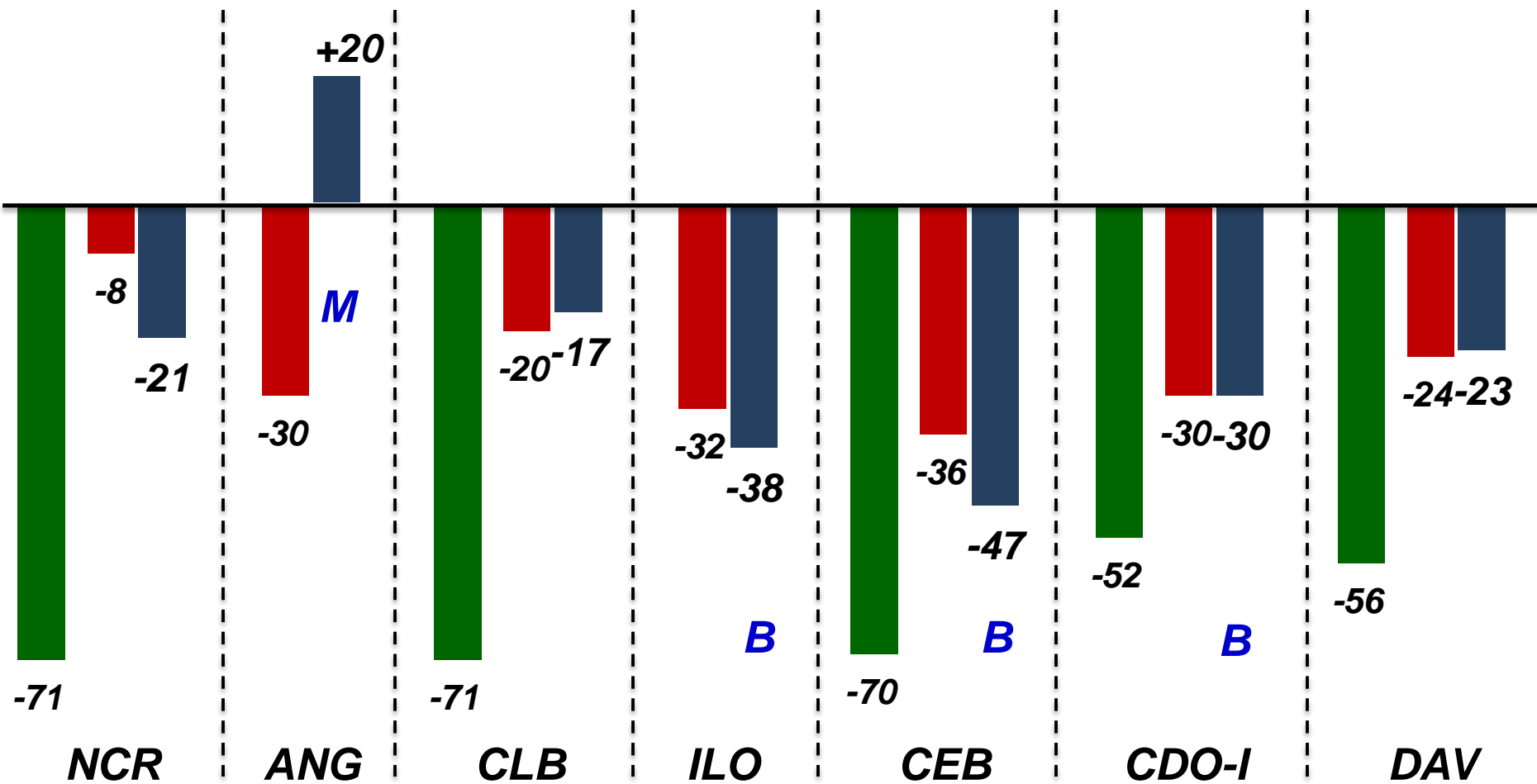
2009 2012 2013



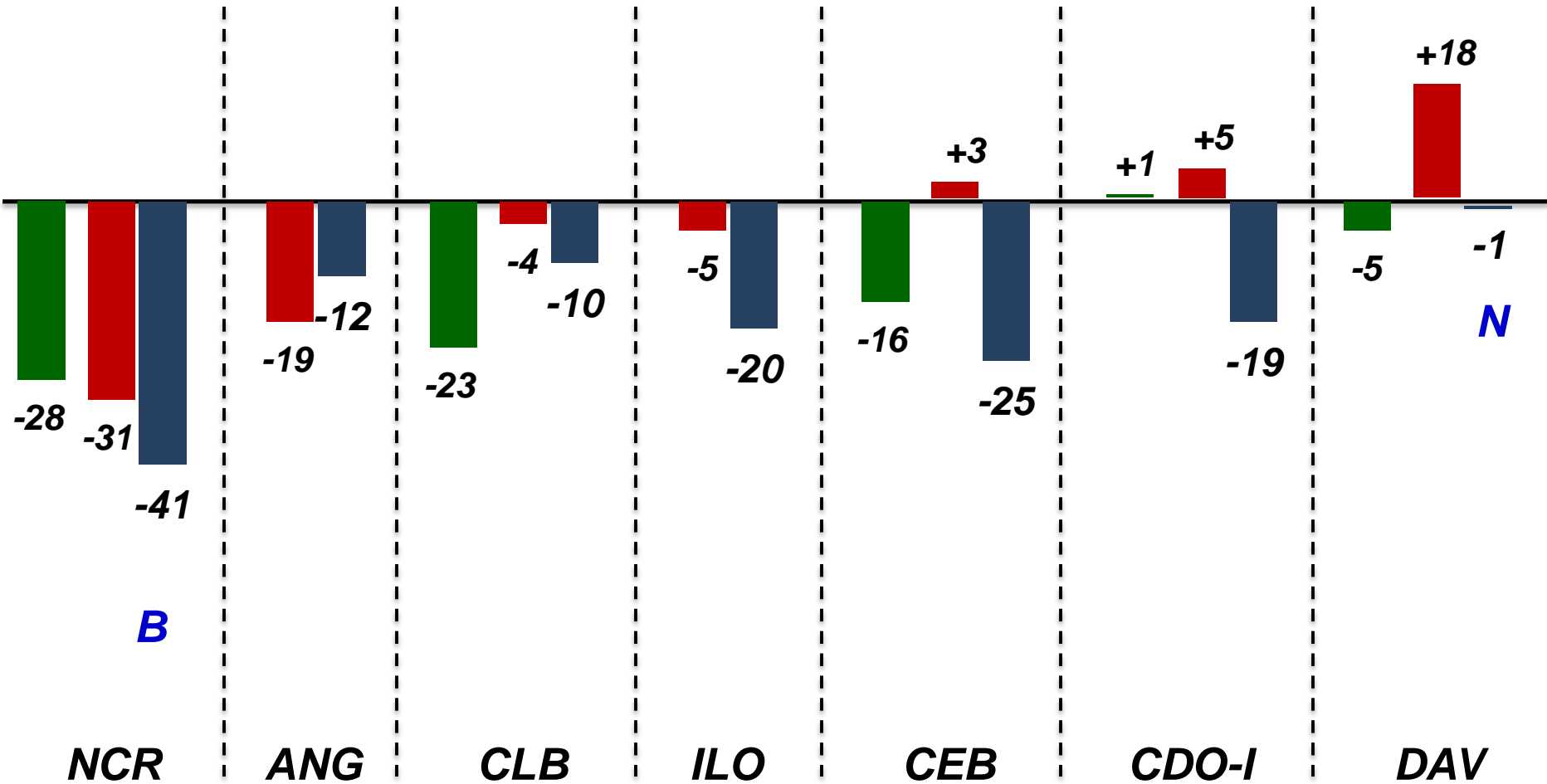
POOR IN FIGHTING CORRUPTION: BIR, BY AREA, 2009 TO 2013



“POOR” IN FIGHTING CORRUPTION: DPWH, BY AREA, 2009 TO 2013



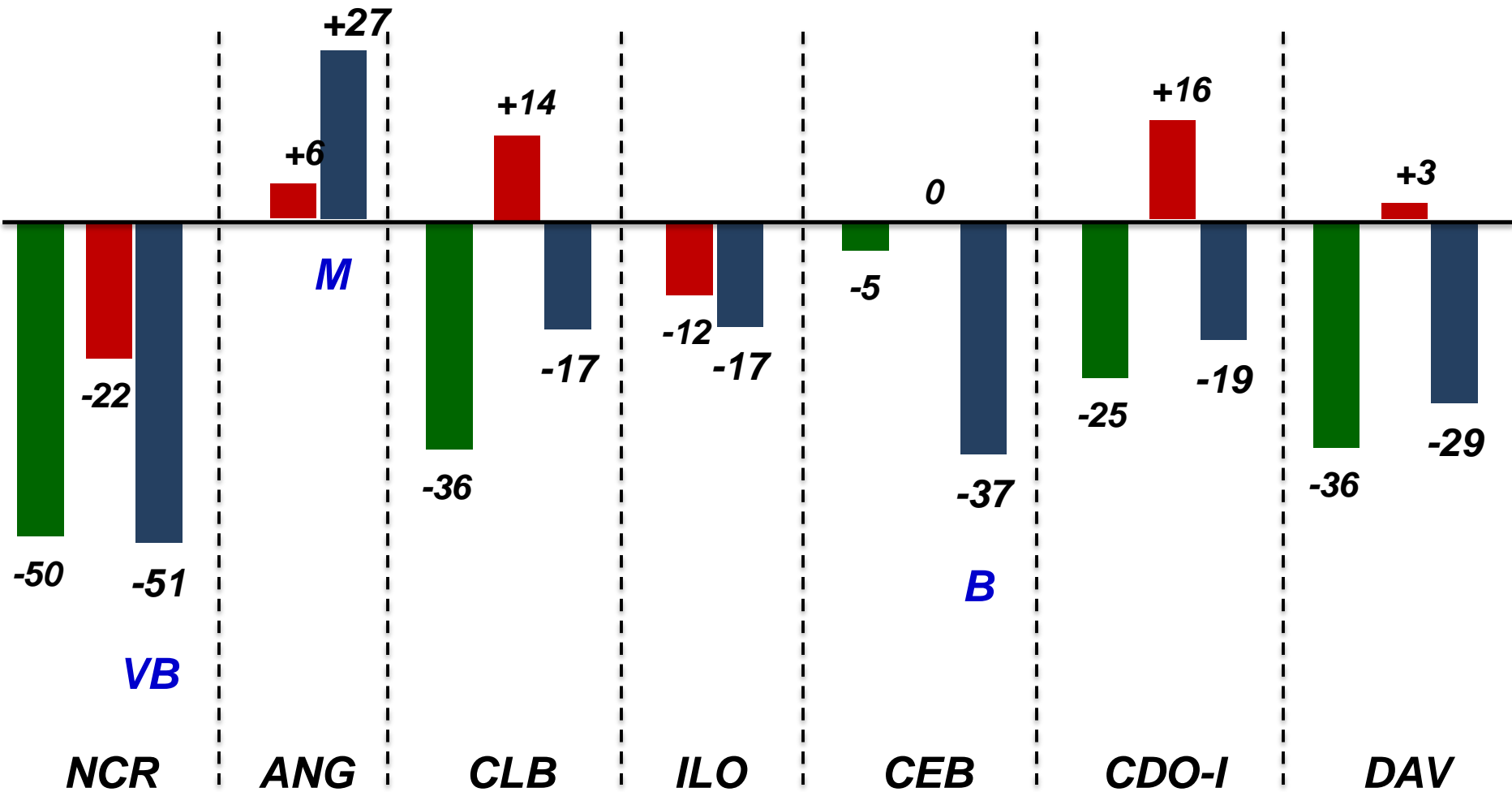
POOR IN FIGHTING CORRUPTION: PNP, BY AREA, 2009 TO 2013



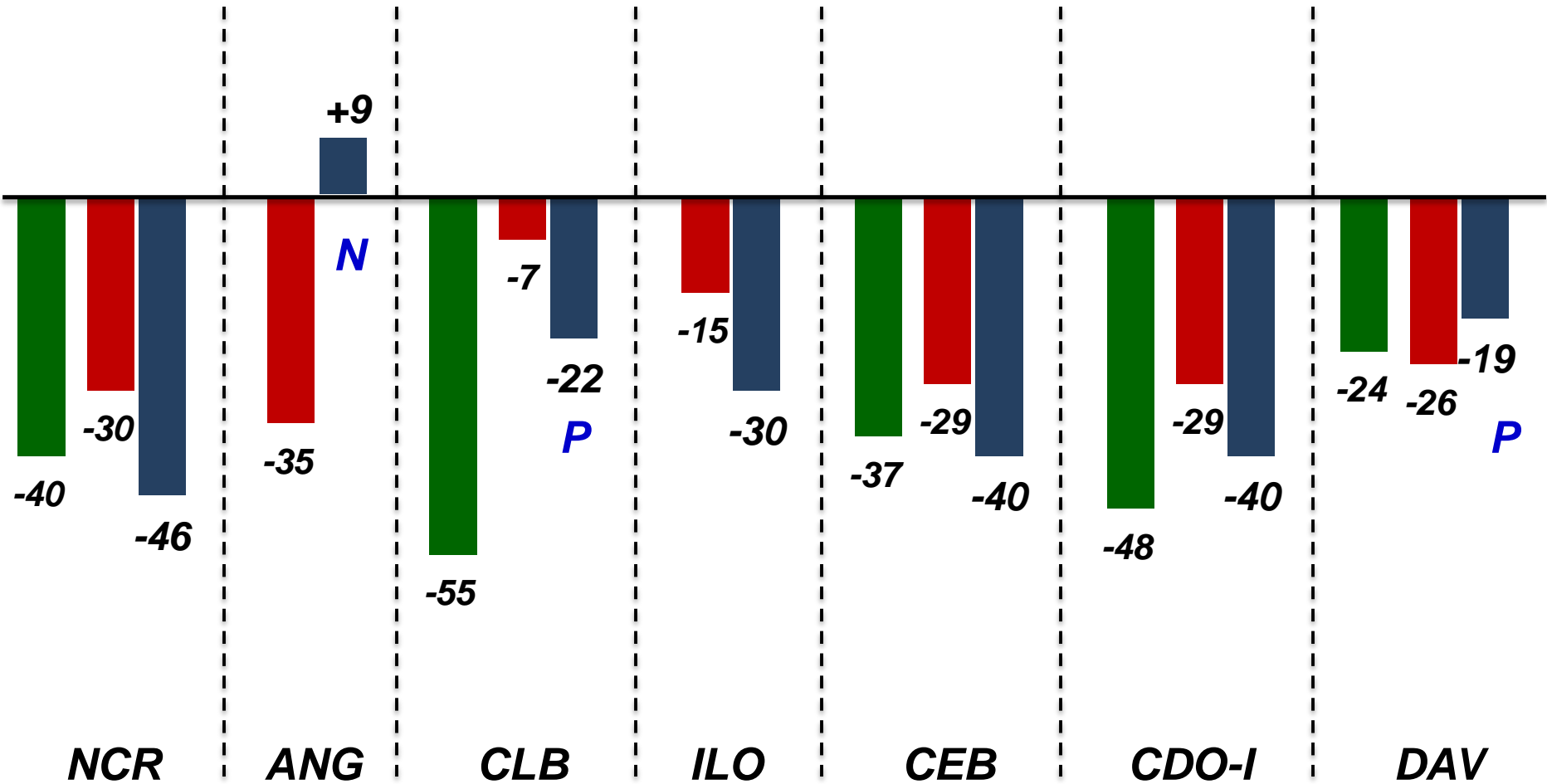
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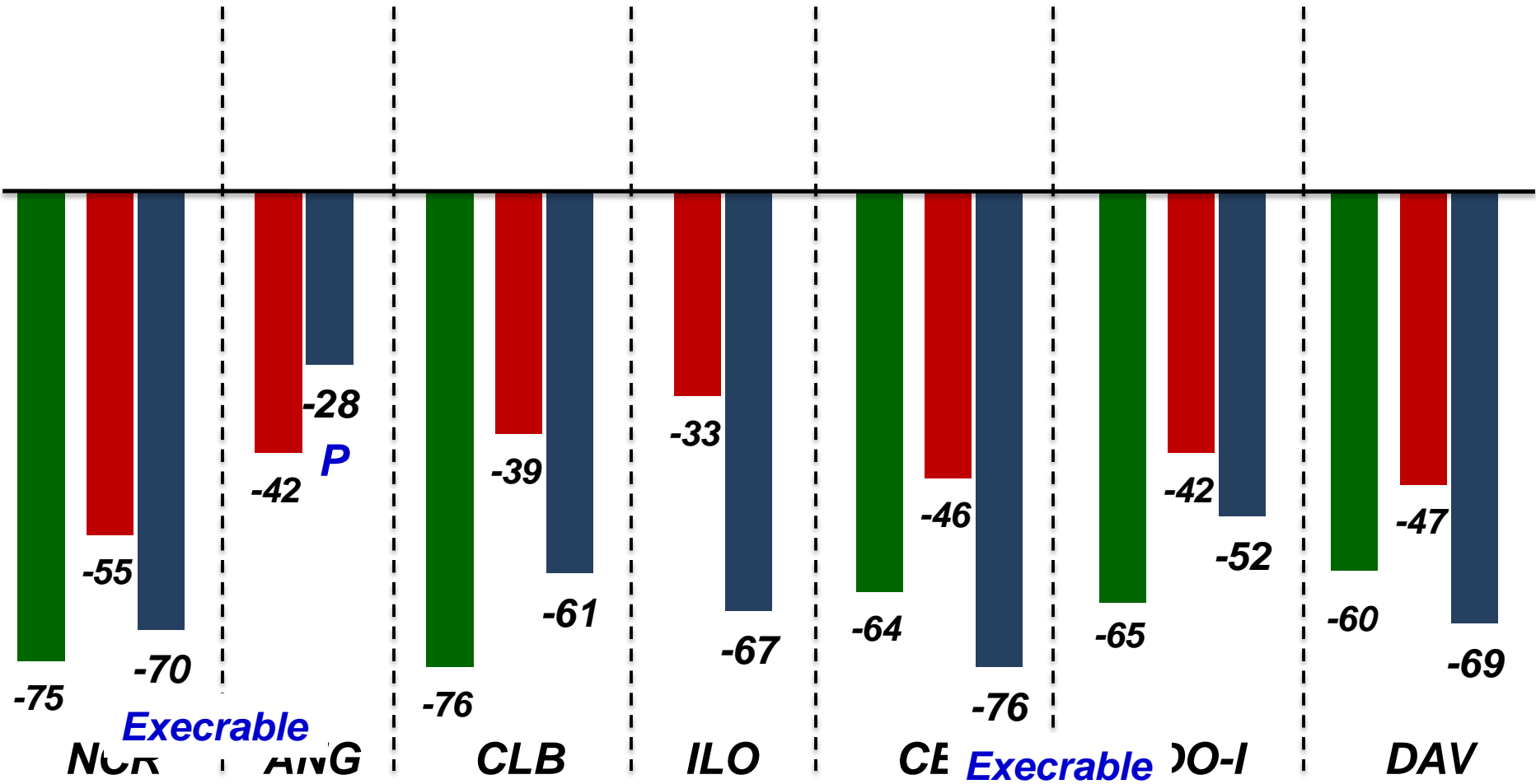
POOR IN FIGHTING CORRUPTION: HOUSE OF REPRESENTATIVES, BY AREA, 2009 TO 2013



BAD IN FIGHTING CORRUPTION: LTO, BY AREA, 2009 TO 2013



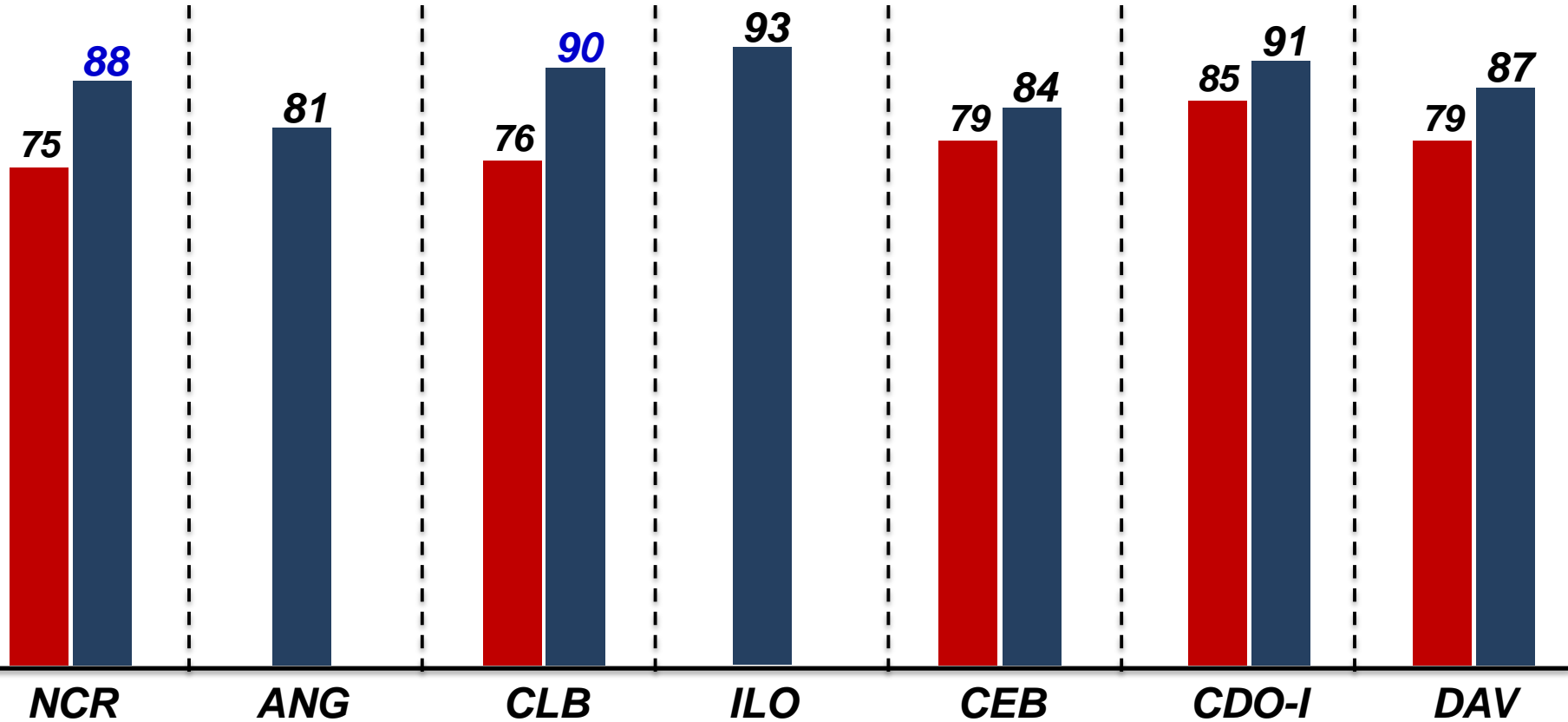
VERY BAD IN FIGHTING CORRUPTION: BOC, BY AREA, 2009 TO 2013



5) ACCESS TO GOVERNMENT INFORMATION

DO YOU AGREE OR DISAGREE THAT CORRUPTION WILL BE REDUCED BY THE PASSAGE OF A STRONG LAW ON THE RIGHT OF THE PEOPLE TO INFORMATION FROM THE GOV'T? BY AREA, 2009 AND 2013

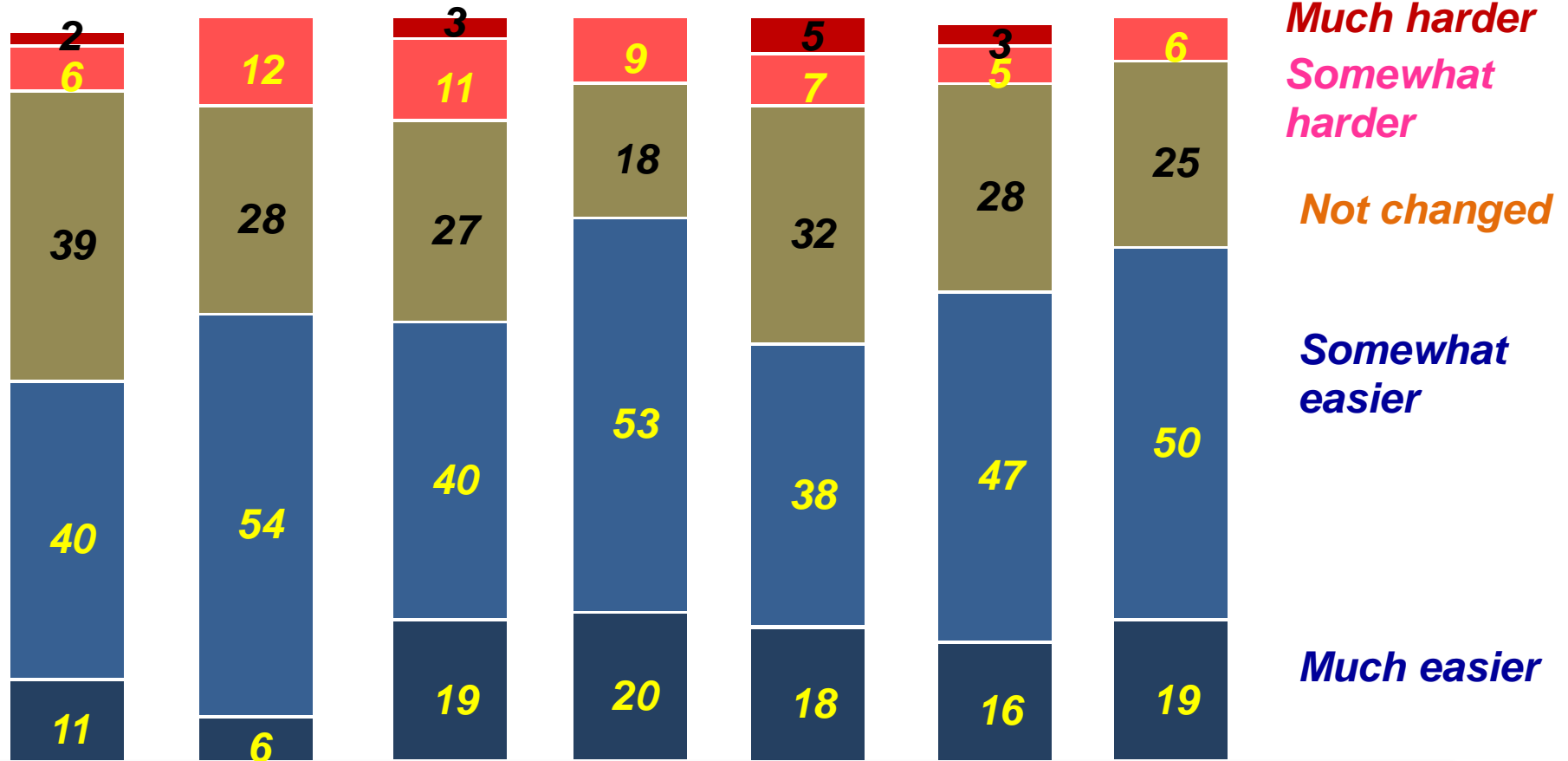
■ 2012 ■ 2013



Q9. Do you agree or disagree that corruption will be reduced by passage of a strong law on the right of the people to information from the government?

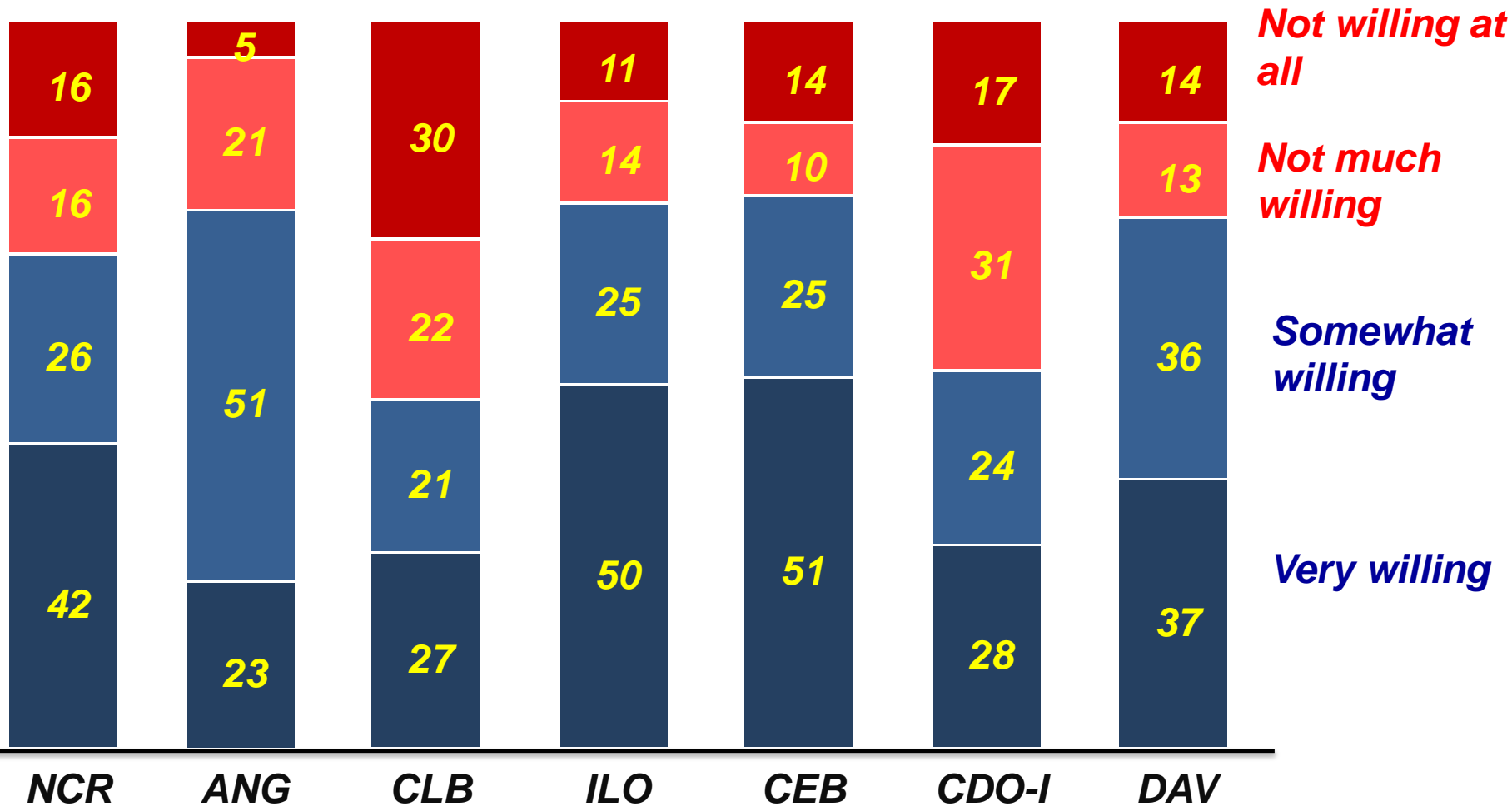
6) *TRANSACTIONS WITH GOVERNMENT*

ENTERPRISES WHO SAY THE PROCESS OF BUSINESS PERMITS/LICENSES RENEWALS IS EASIER OR HARDER NOW THAN 3 YEARS AGO, BY AREA, 2009 TO 2013



Q64. Compared to three years ago, has the process of annual renewal of the company's business permits or licenses BECOME MUCH EASIER, BECOME SOMEWHAT EASIER, NOT CHANGED, BECOME SOMEWHAT HARDER, or BECOME MUCH HARDER?

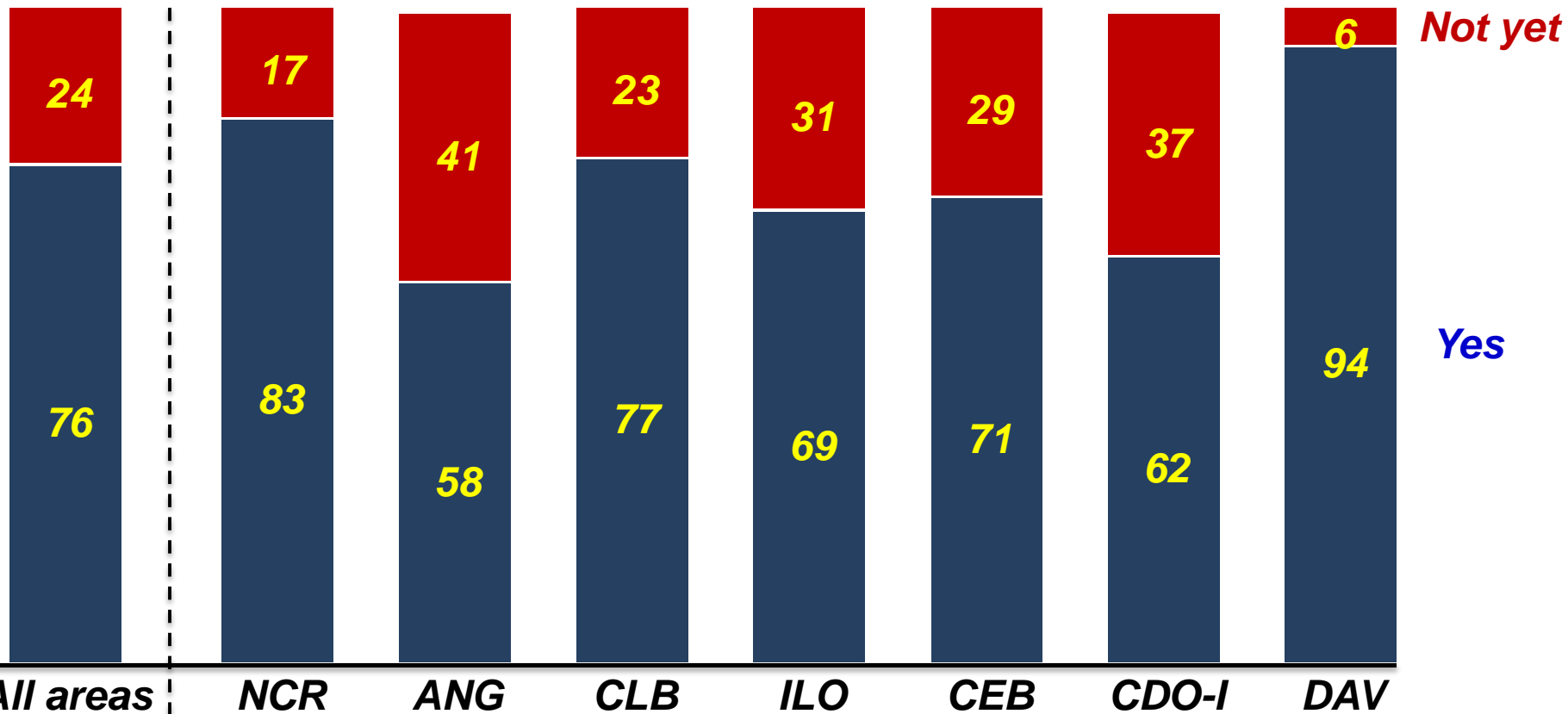
WILLINGNESS TO PAY TWICE AS MUCH TO DOUBLE THE VALIDITY PERIODS OF GOV'T ISSUED LICENSES/PERMITS, BY AREA, 2013



Q66. How willing are you to pay twice as much to double the validity periods of government issued licenses/permits?

7) BUREAU OF INTERNAL REVENUE AND PAYING TAXES

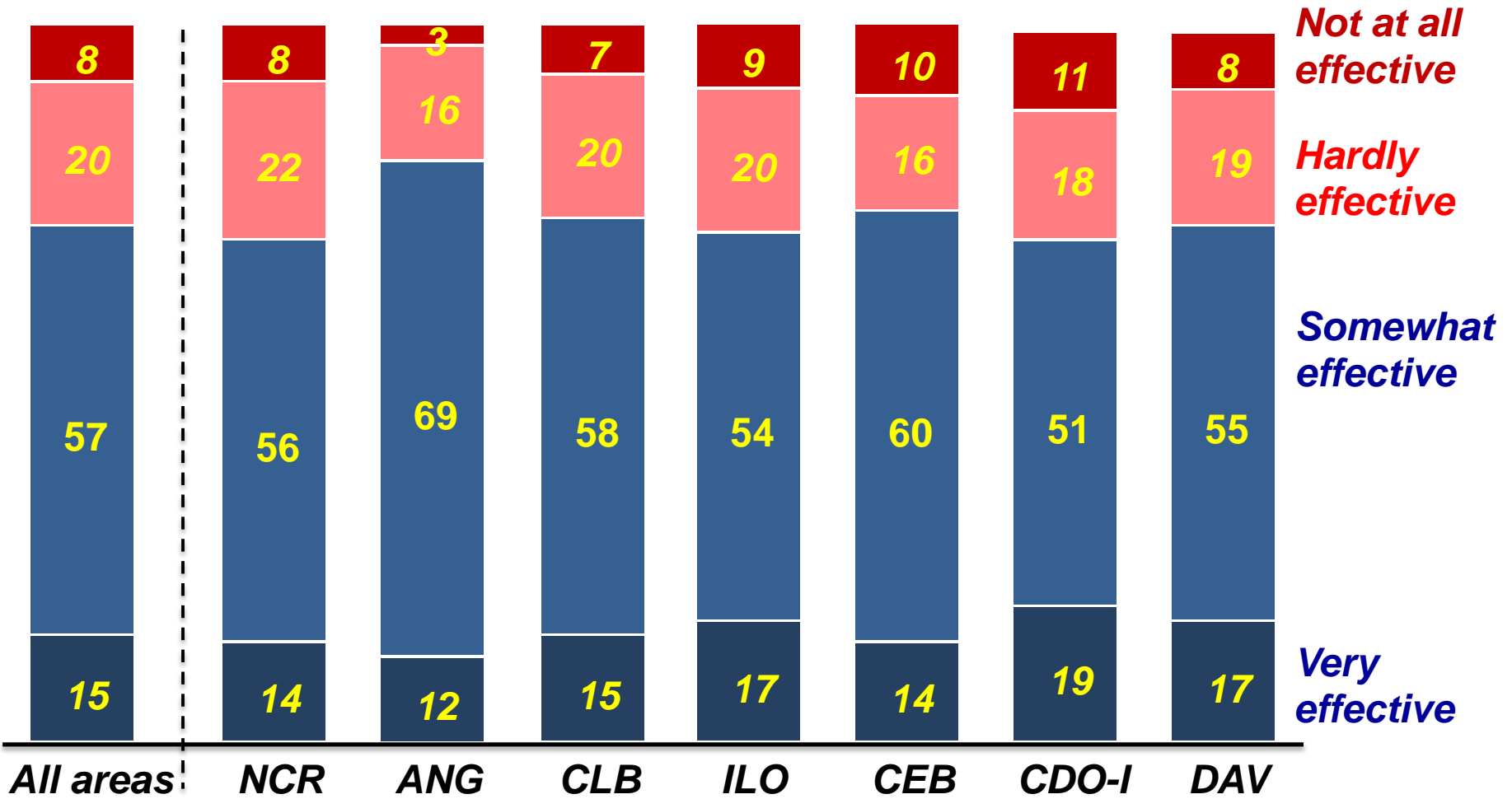
HAS YOUR COMPANY APPLIED FOR THE AUTHORITY TO PRINT OFFICIAL RECEIPTS, ETC, PER BIR RR NO. 18-2012, BY AREA, 2013



INTRO STATEMENT: The Bureau of Internal Revenue (BIR) published on January 3, 2013 its Revenue Regulations (RR) No. 18- 2012, requiring all business to apply with the BIR for a new Authority to Print (ATP) Official Receipts, Sales Invoices, and Other Commercial Invoices not later than April 30 and to issue and use the new set of receipts and invoices starting July 1. On June 11, BIR Commissioner Kim Henares signed Revenue Memorandum Order 44-2013 extending the deadline for the use of old receipts, and allowing the businesses to have their new receipts and invoices printed with BIR-accredited printers.

Q80. Has your company applied for Authority to Print (ATP) Official Receipts (ORs), Sales Invoices (SIs) and other Commercial Invoices (CIs) using the online ATP Systems? When did the company apply for ATP?

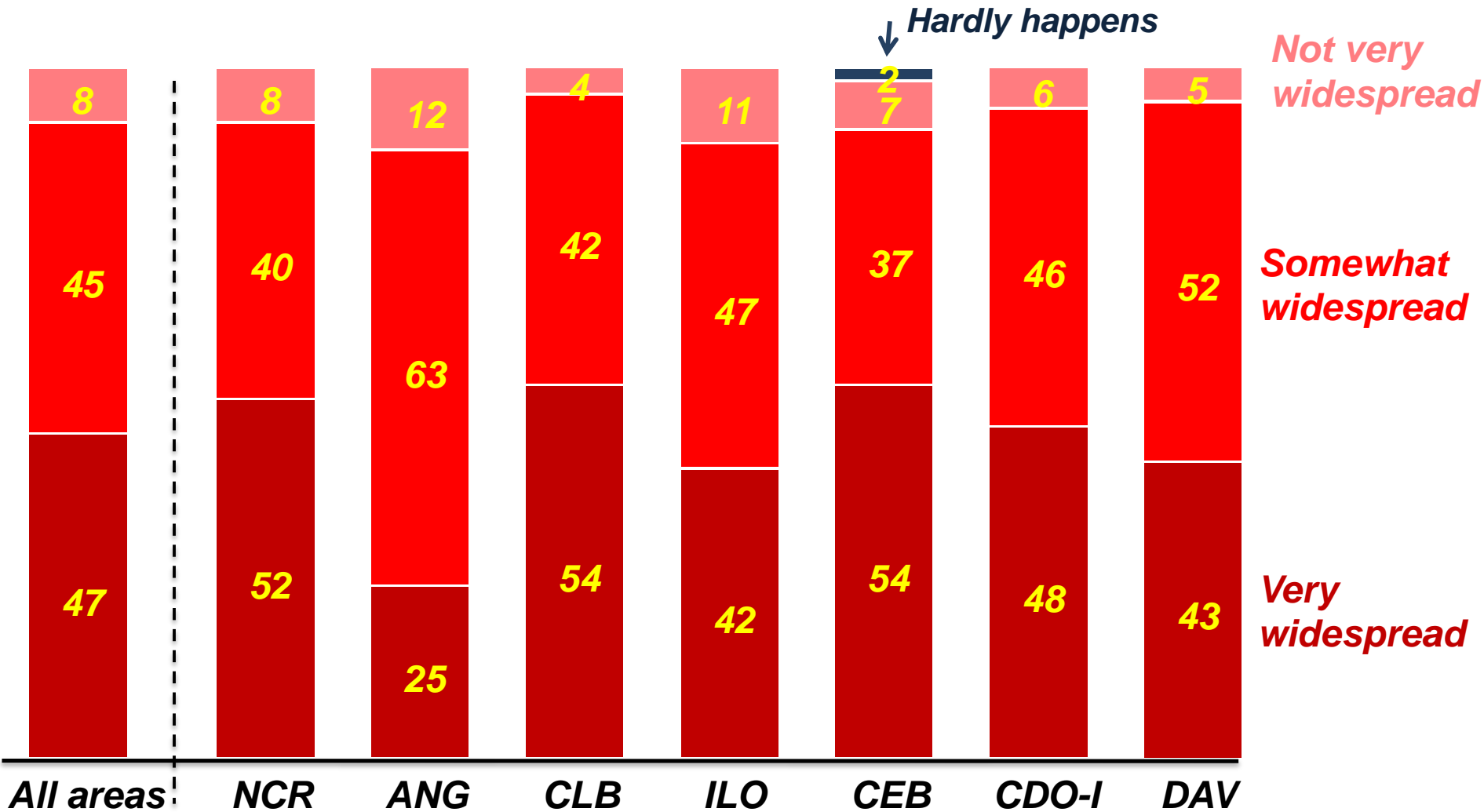
EFFECTIVENESS OF THE BIR RR NO. 18-2012 ON NEW RECEIPTS IN REDUCING CORRUPTION, BY AREA, 2013



Q82. Do you think this new BIR regulation will be EFFECTIVE or NOT EFFECTIVE in reducing corruption?

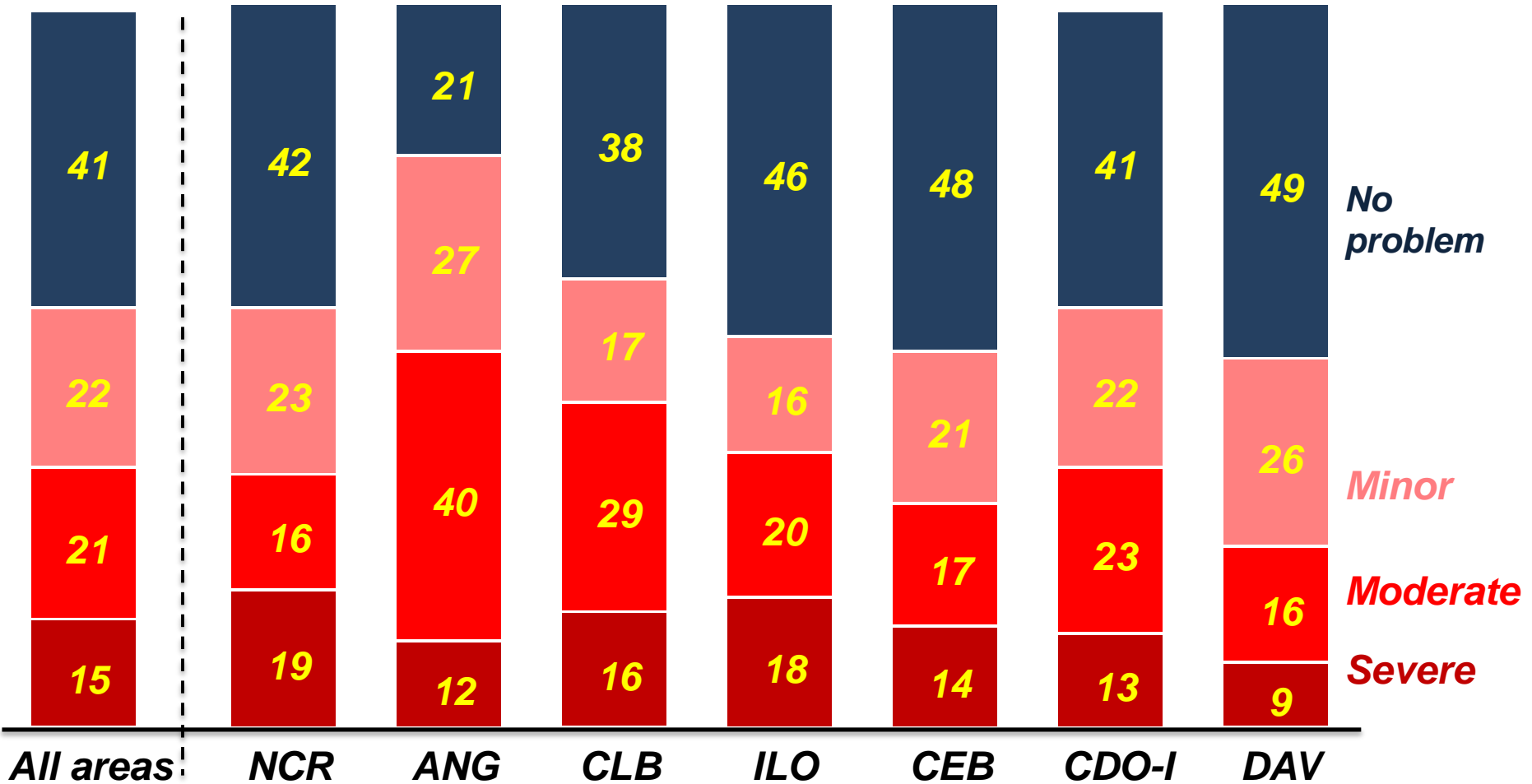
8) *SMUGGLING*

EXTENT OF SMUGGLING IN THE PHILIPPINES, BY AREA, 2013



Q83. Would you say that smuggling in the Philippines is ...? [Very widespread , Quite widespread , Not very widespread , It hardly happens at all]

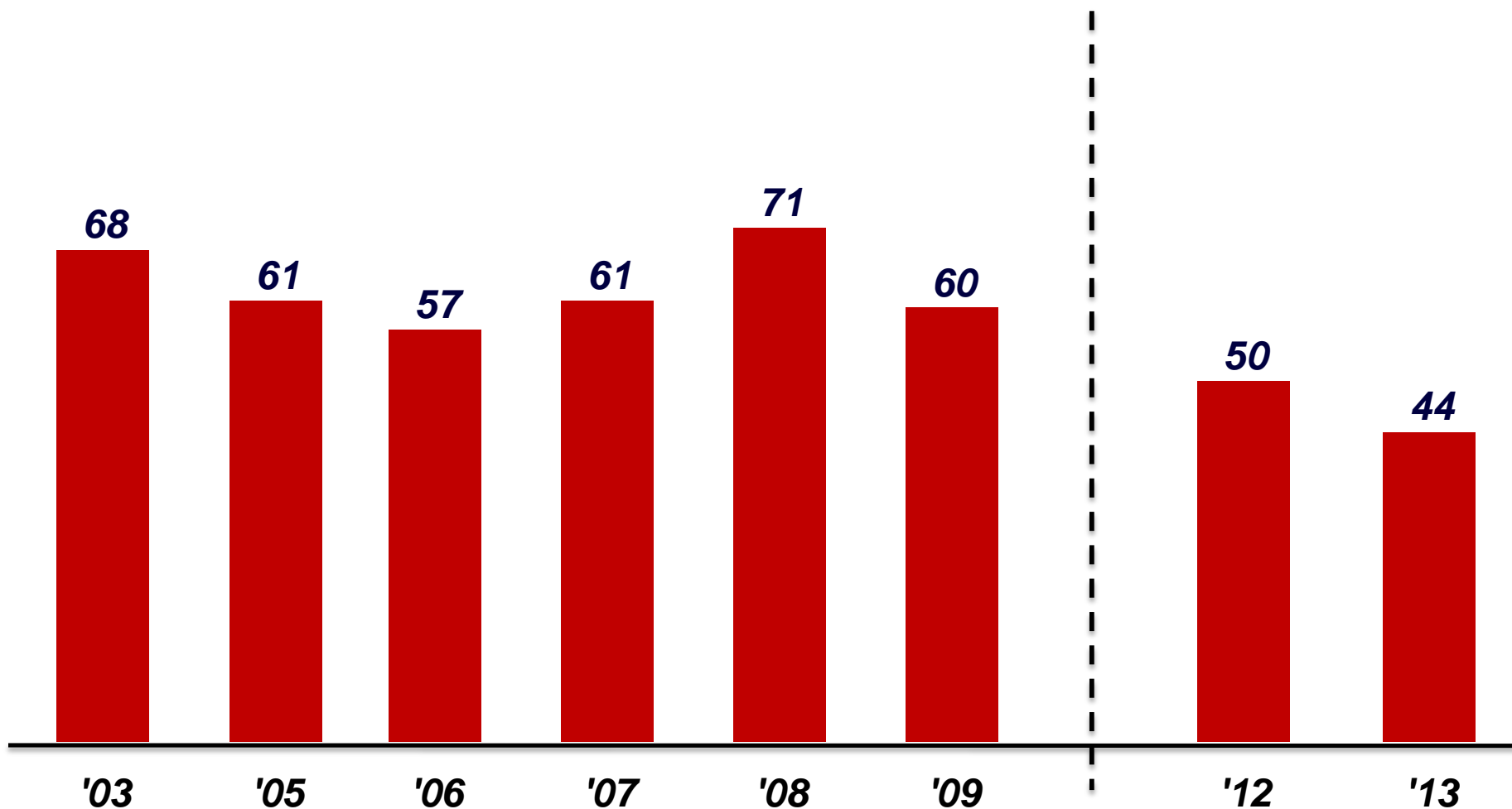
HOW MUCH OF A PROBLEM IS SMUGGLING FOR BUSINESSES LIKE YOURS? BY AREA, 2013



Q84. How much of a problem is smuggling for businesses like yours?

9) ENTERPRISES SOLICITED FOR BRIBE

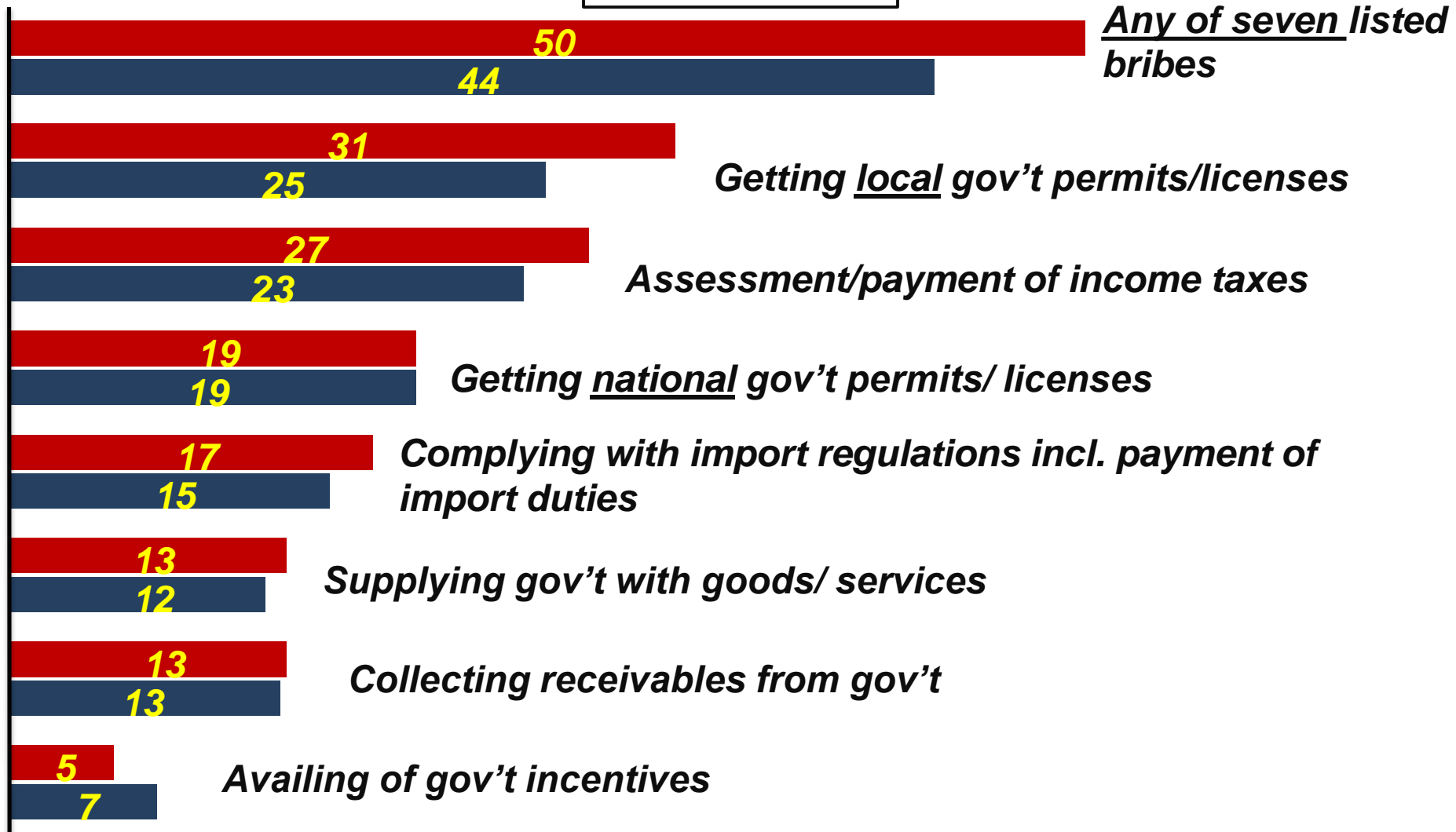
Solicitations of bribes from enterprises are **FALLING**: a record-low 44% were solicited for any 7 listed bribes



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR BRIBE, 2012 AND 2013

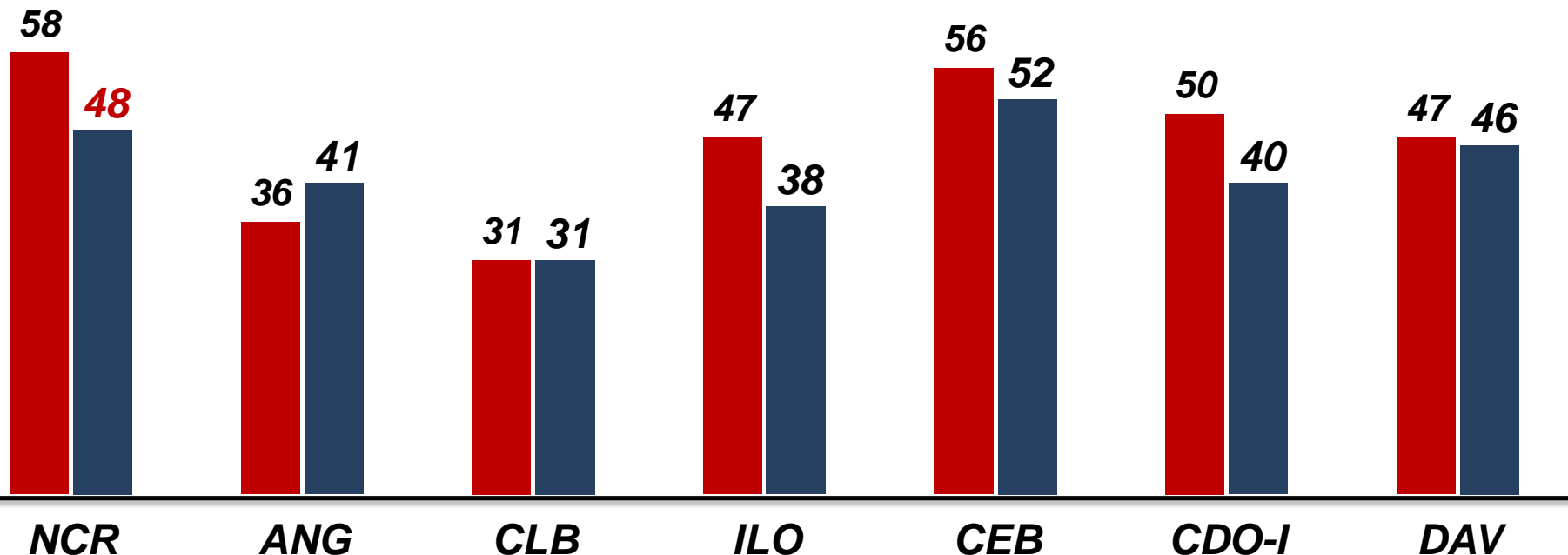
2012 2013



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR ANY OF SEVEN LISTED BRIBES, BY AREA, 2012 AND 2013

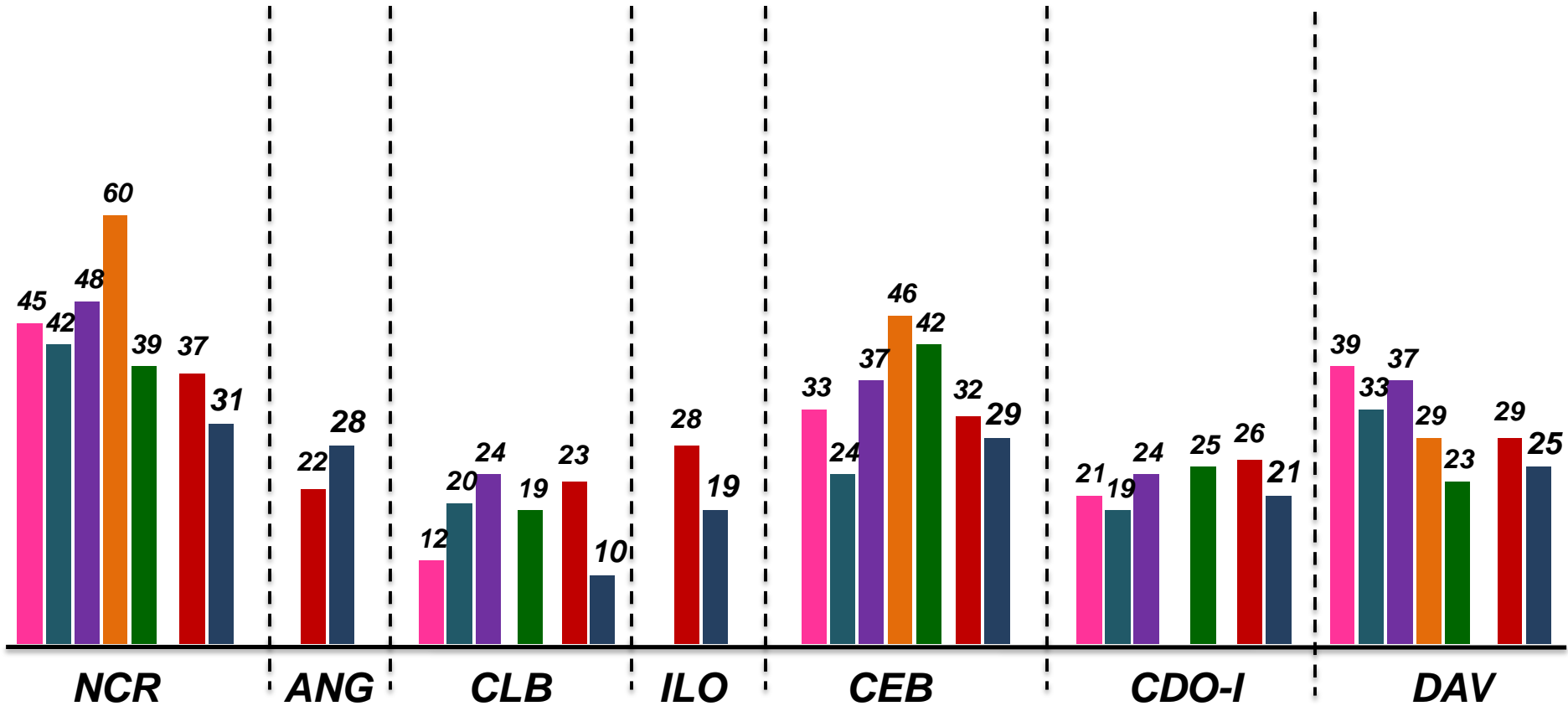
2012 2013



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: GETTING LOCAL GOV'T PERMITS/LICENSES, BY AREA, 2005 TO 2013

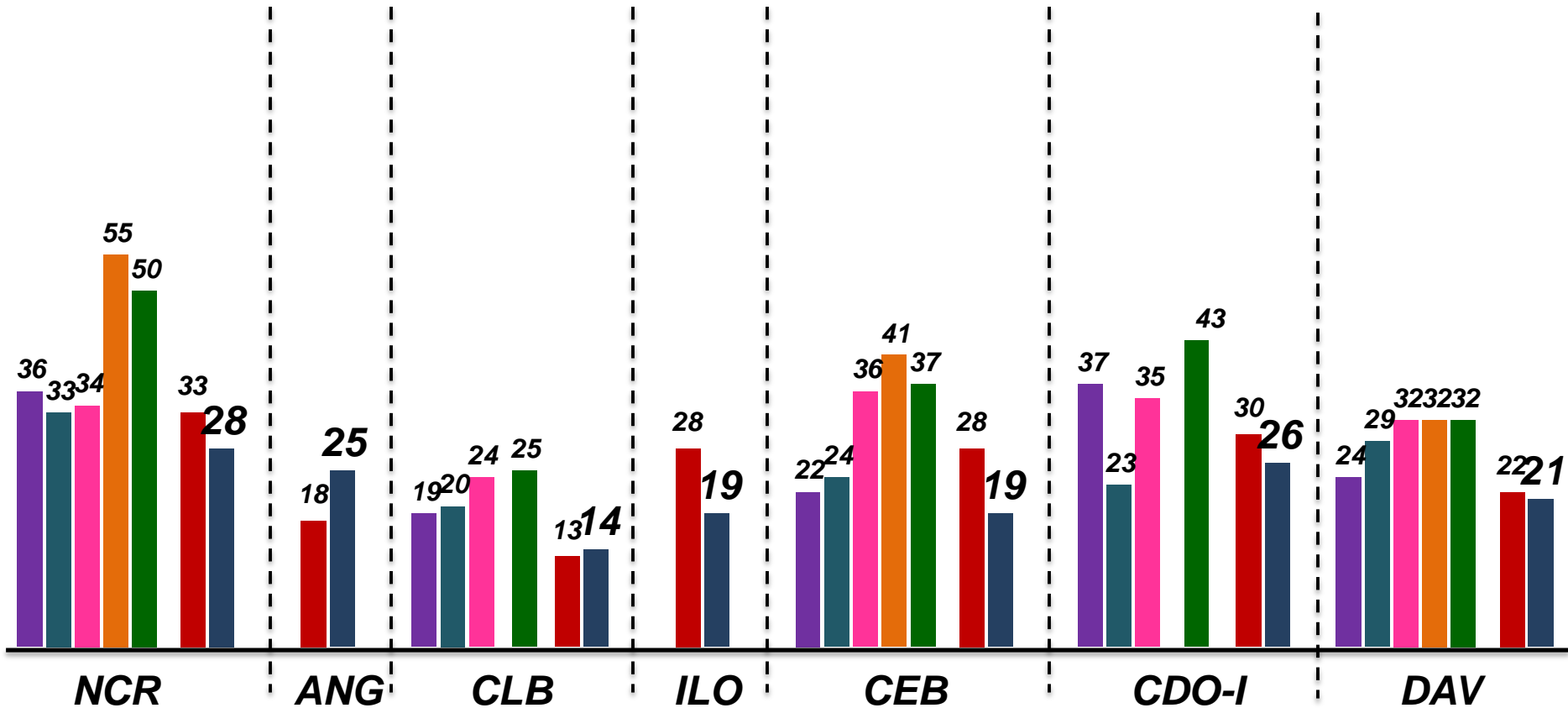
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: ASSESSMENT/ PAYMENT OF INCOME TAXES, BY AREA, 2000 TO 2013

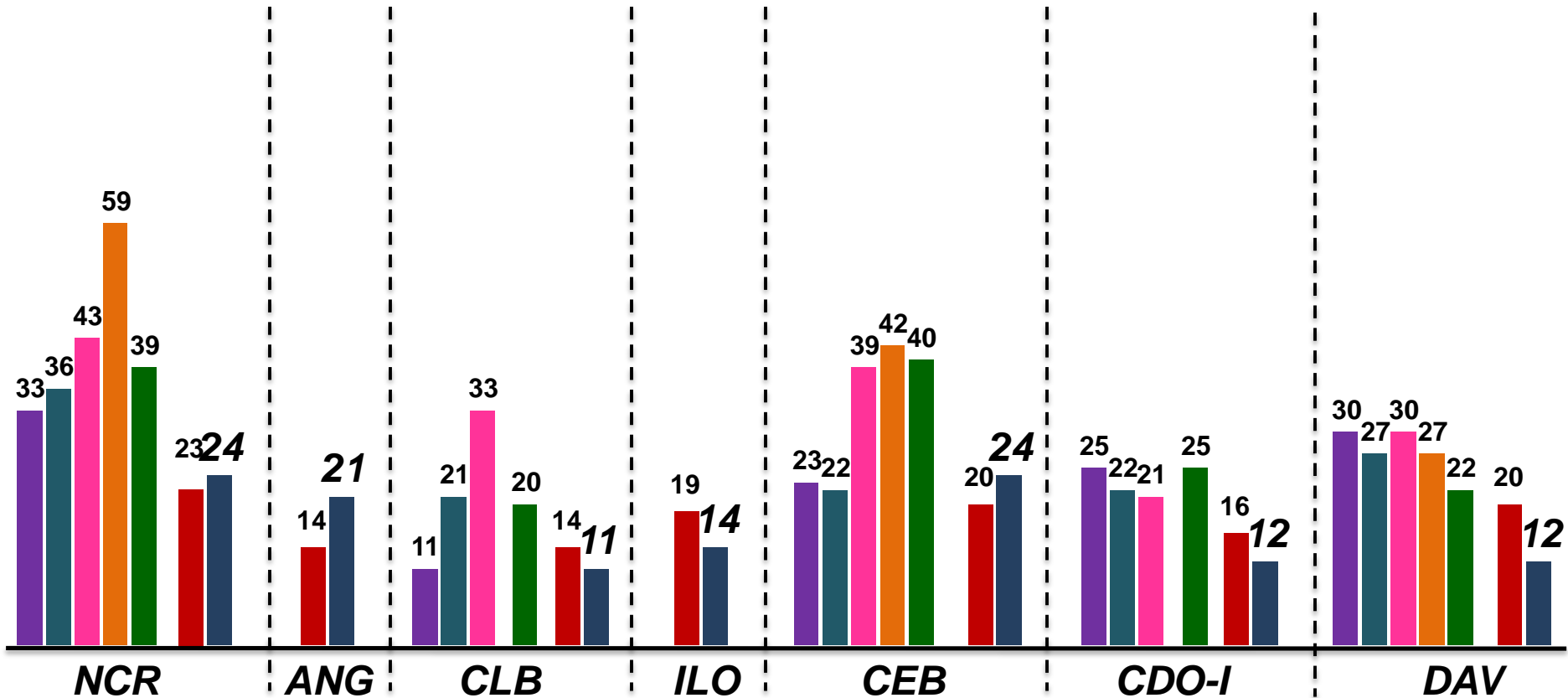
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: GETTING NATIONAL GOV'T PERMITS/ LICENSES, BY AREA, 2000 TO 2013

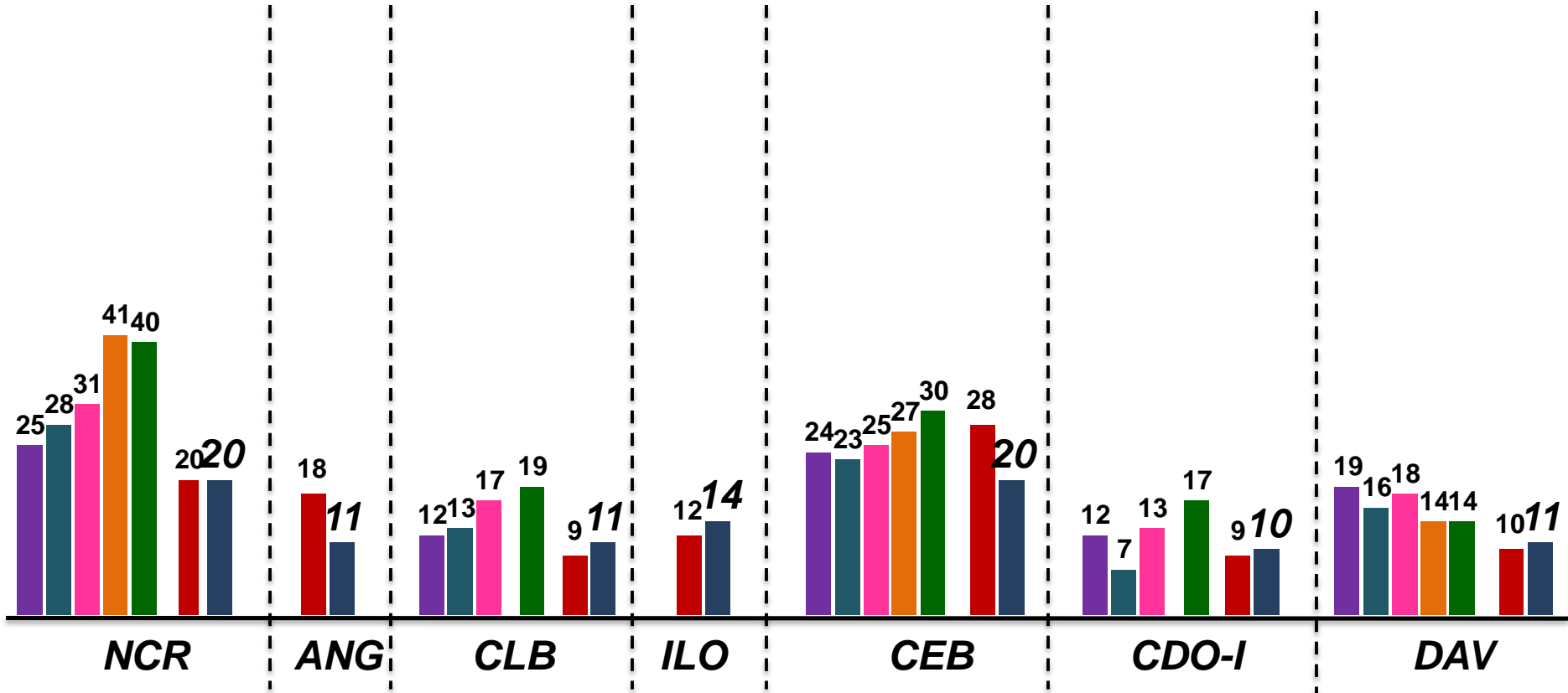
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: COMPLYING WITH IMPORT REGULATIONS INCL. PAYMENT OF IMPORT DUTIES, BY AREA, 2000 TO 2013

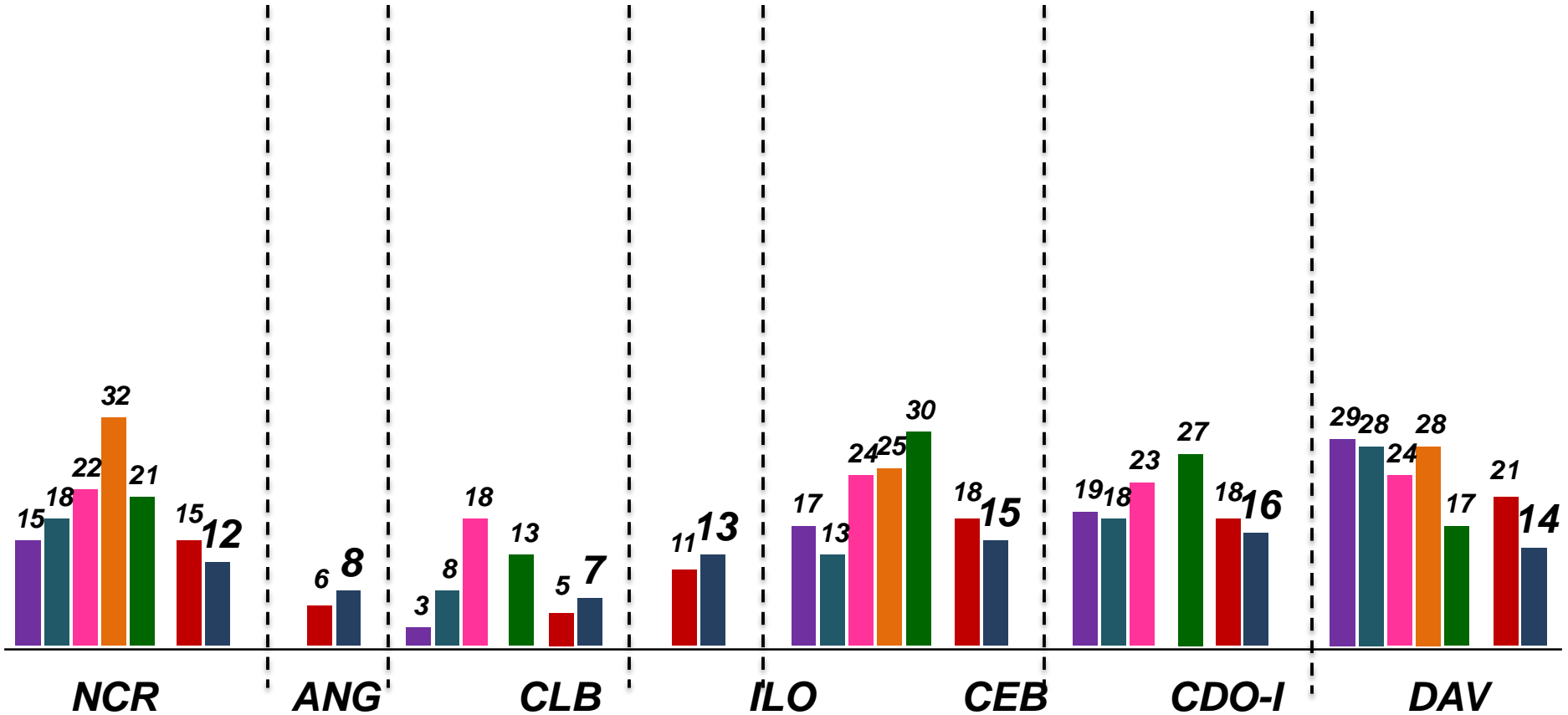
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: SUPPLYING GOV'T WITH GOODS/ SERVICES, BY AREA, 2000 TO 2013

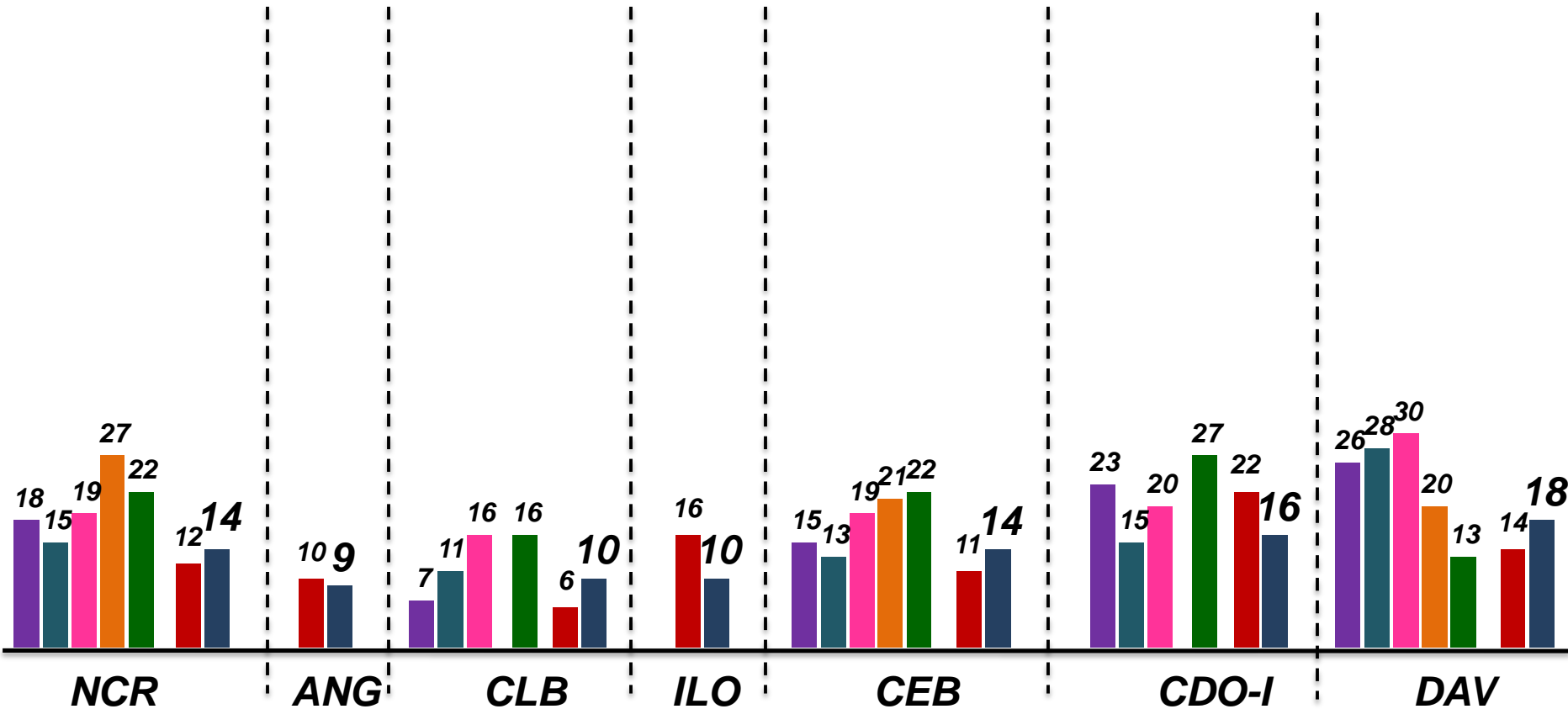
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: COLLECTING RECEIVABLES FROM GOV'T, BY AREA, 2000 TO 2013

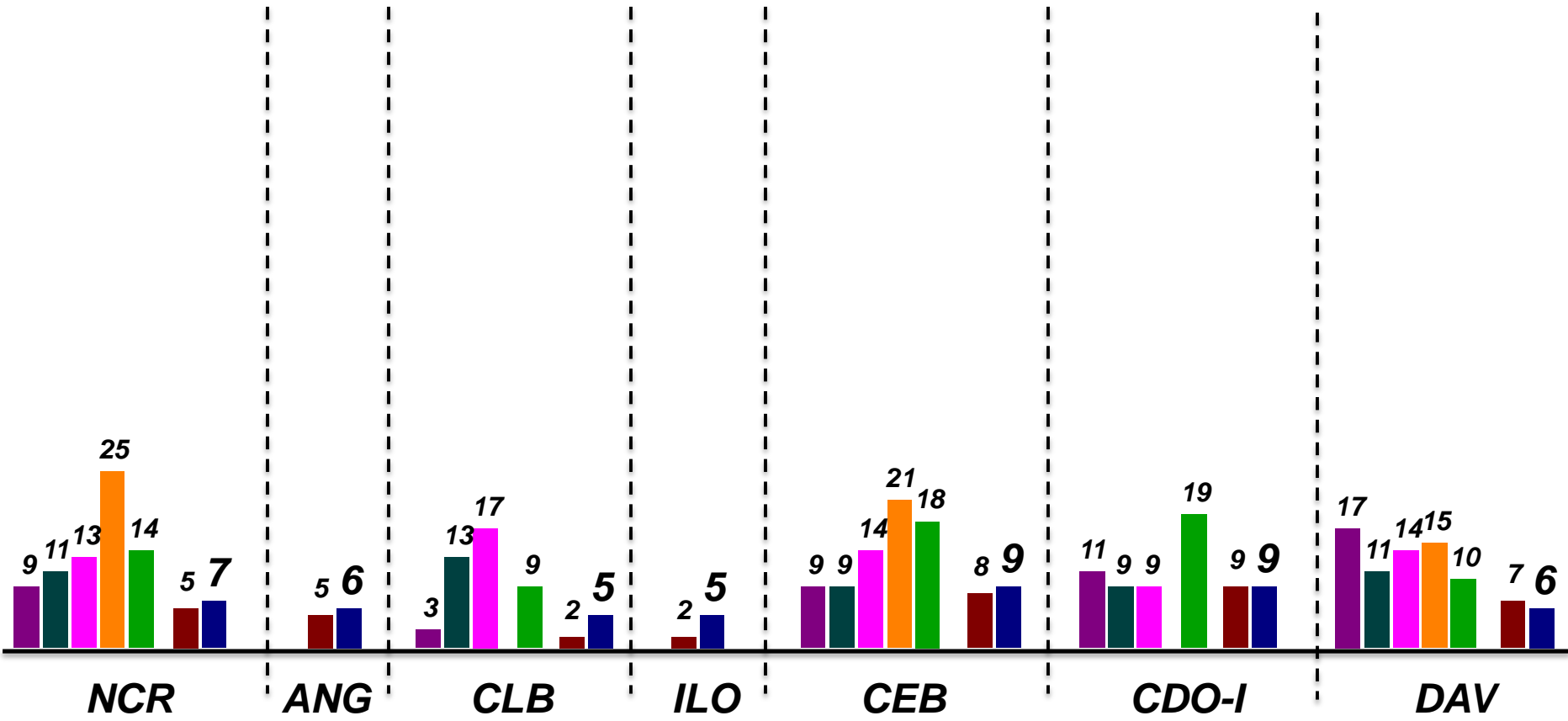
'05 '06 '07 '08 '09 '12 '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

ENTERPRISES SOLICITED FOR A BRIBE: AVAILING OF GOV'T INCENTIVES, BY AREA, 2000 TO 2013

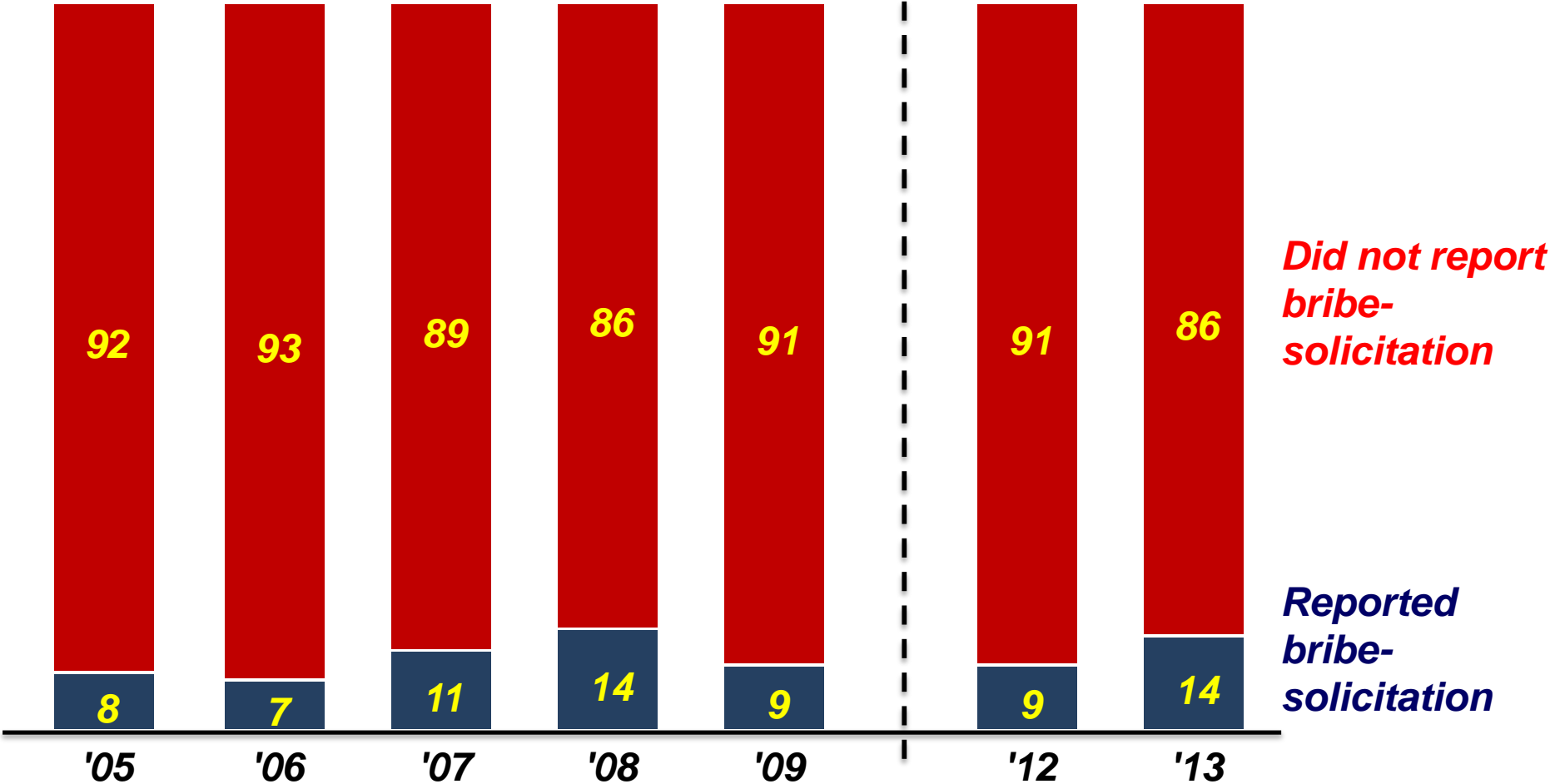
■ '05
 ■ '06
 ■ '07
 ■ '08
 ■ '09
 ■ '12
 ■ '13



Q67-73. In which of the following transactions has your company been asked for a bribe by anyone in government during 2012?

REPORTING OF BRIBE-SOLICITATION, 2005 TO 2013

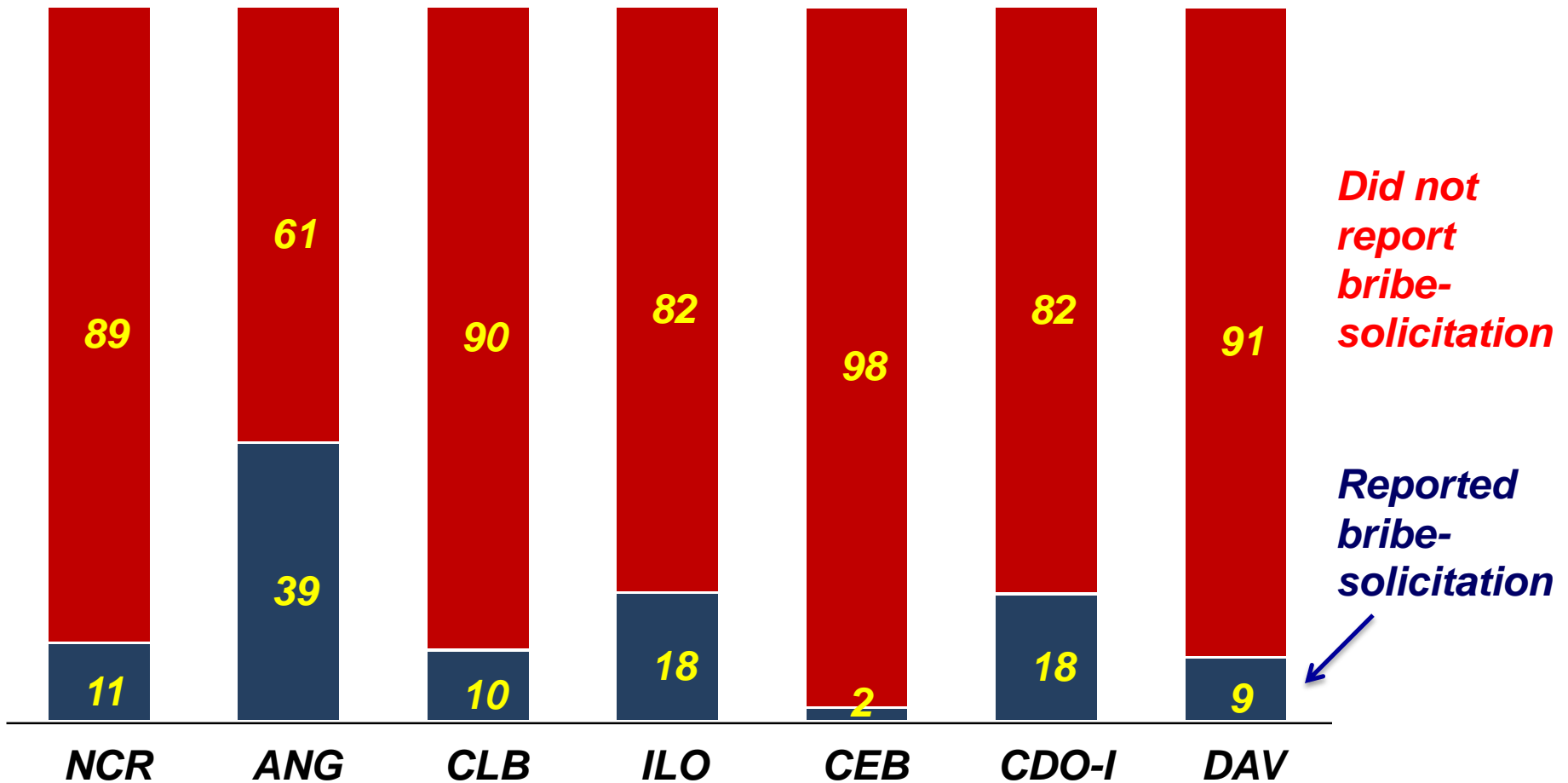
Base: Those Who Were Solicited for a Bribe



Q74. IF ENCIRCLED ANY CODE 1 IN Q67-73: Did you... [FORMALLY REPORT IT TO ANY GOVERNMENT AGENCY; FORMALLY REPORT IT TO ANY PRIVATE ANTI-CORRUPTION GROUP; BOTH; NOT REPORT IT AT ALL?]

REPORTING OF BRIBE-SOLICITATION, BY AREA, 2013

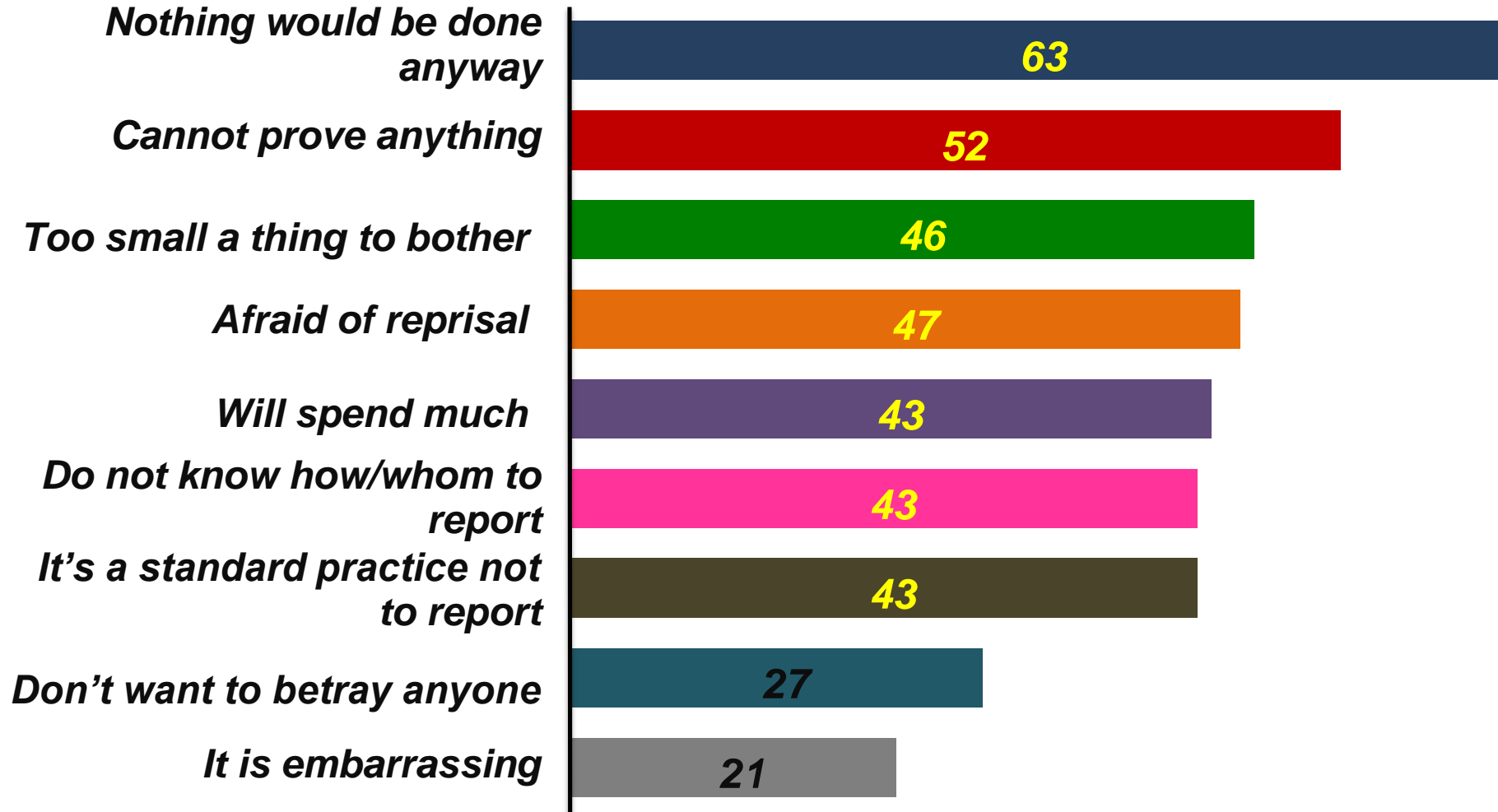
Base: Those Who Were Solicited for a Bribe



Q74. IF ENCIRCLED ANY CODE 1 IN Q67-73: Did you... [FORMALLY REPORT IT TO ANY GOVERNMENT AGENCY; FORMALLY REPORT IT TO ANY PRIVATE ANTI-CORRUPTION GROUP; BOTH; NOT REPORT IT AT ALL?]

REASONS FOR NOT REPORTING BRIBE-SOLICITATION, 2013

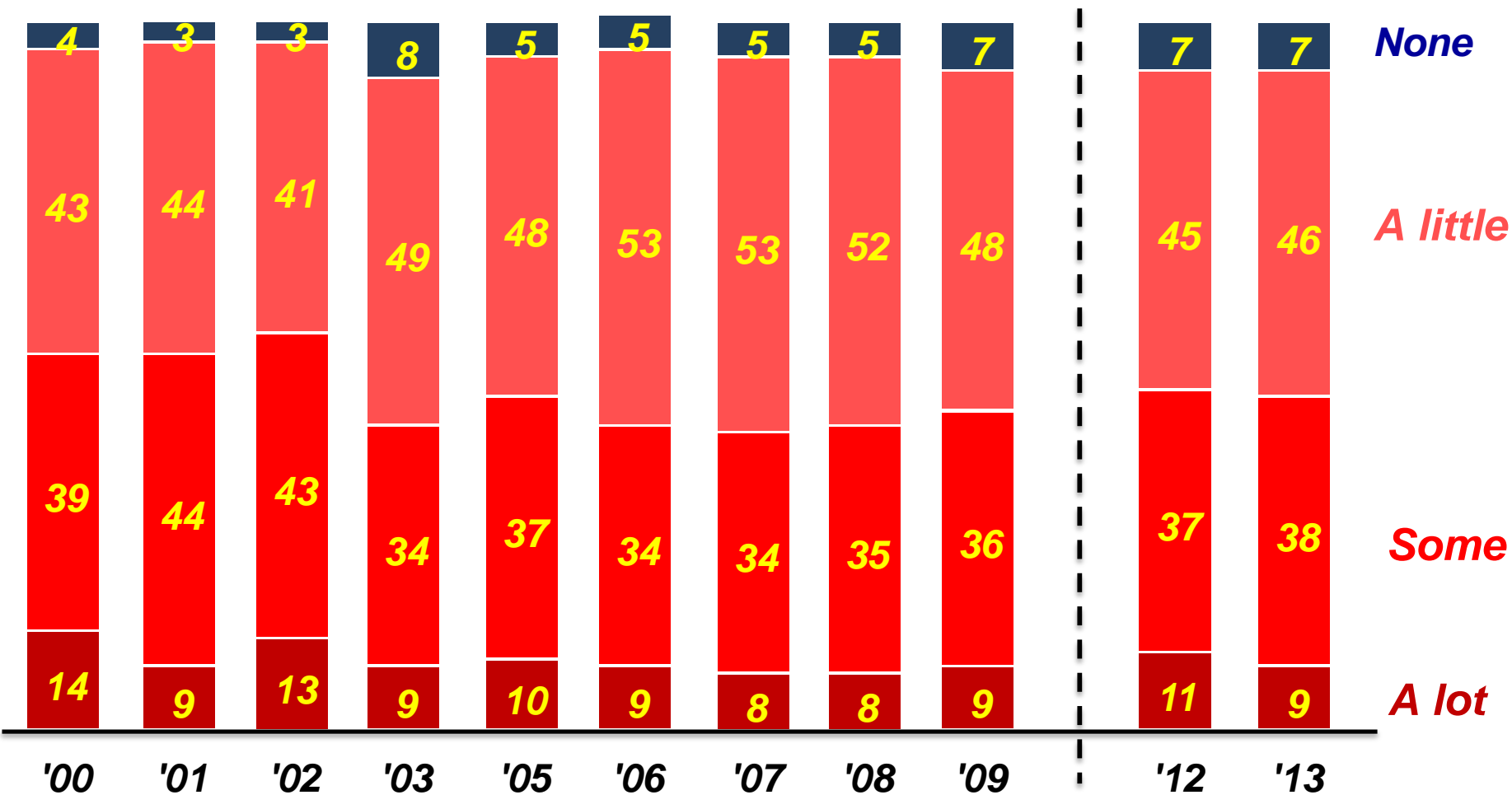
Base: Those Who Were Solicited for a Bribe But Did Not Report It



Q75. IF DID NOT REPORT: Why did you not report this? (MULTIPLE RESPONSES ALLOWED)

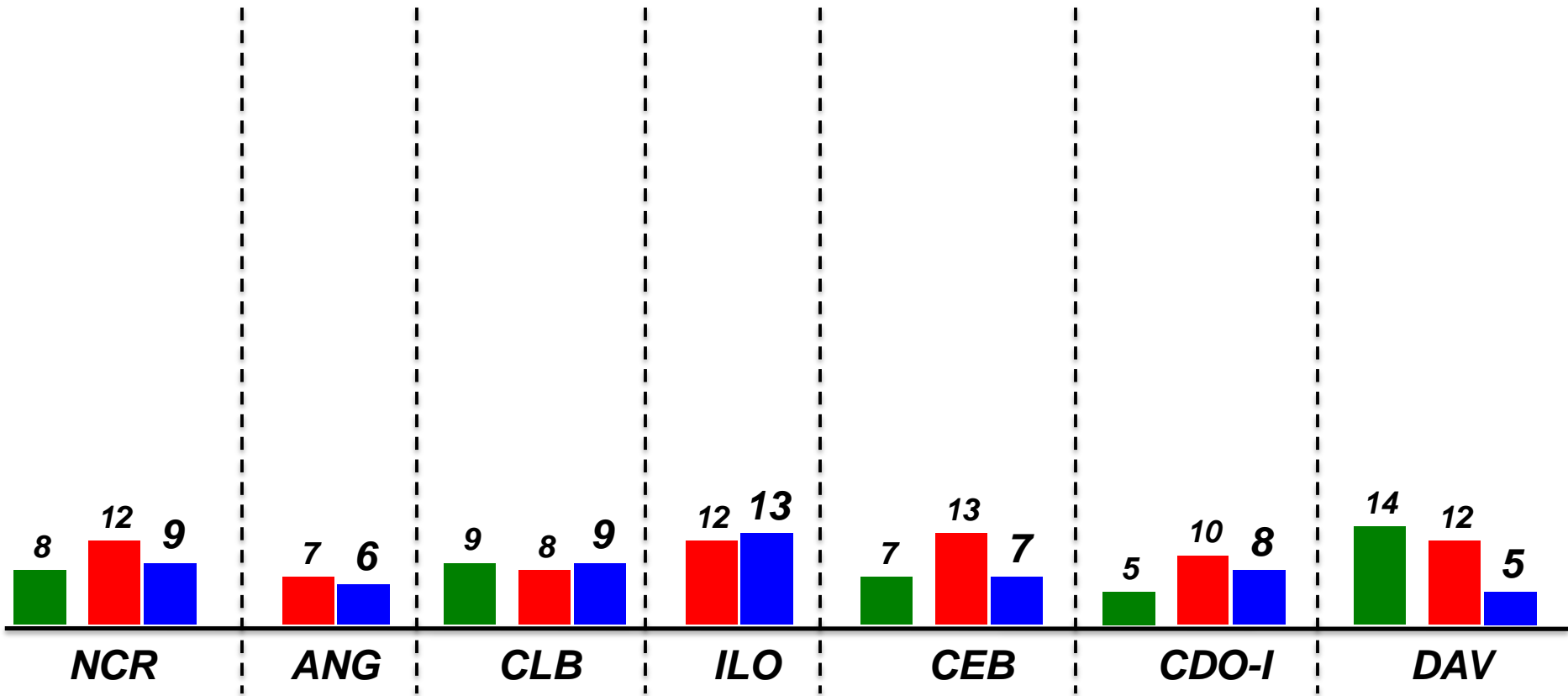
10) PRIVATE SECTOR CORRUPTION

Citations of private sector corruption being “a lot” is 9% in 2013, more or less flat since 2003



Q45. How much corruption do you think there is in the private sector? [A LOT; SOME; A LITTLE ; NONE]

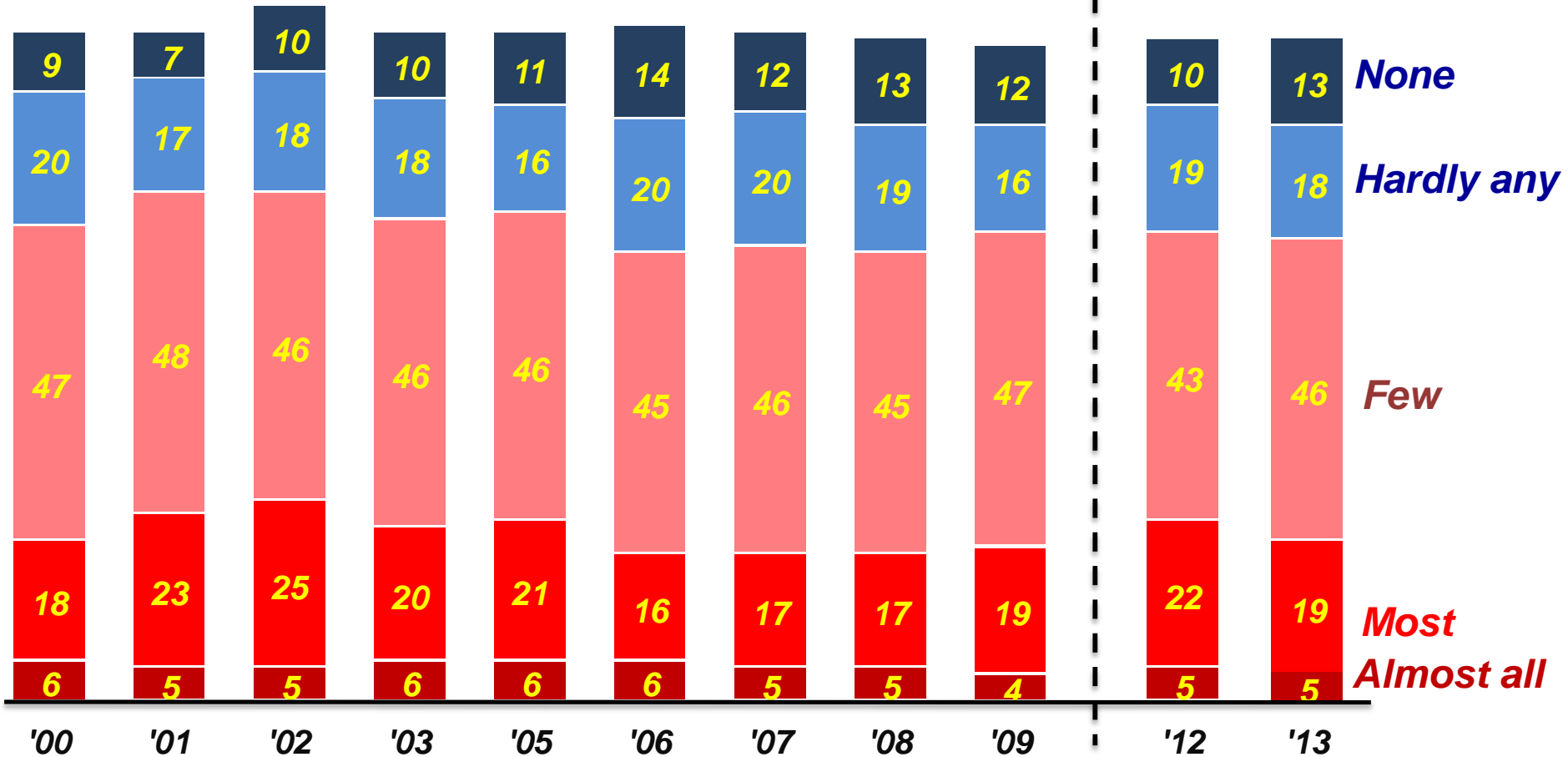
ENTERPRISES SAYING THERE IS “A LOT” OF CORRUPTION IN THE PRIVATE SECTOR, BY AREA, 2000 TO 2013



Q45. How much corruption do you think there is in the private sector? [A LOT; SOME; A LITTLE ; NONE]

Citations that “most/almost all” companies in their sector of business give bribes to win private sector contracts fell from 27% in 2012 to 23% in 2013, but still higher all in 2006-2009

Base: Total Who Say There Is Corruption in the Private Sector

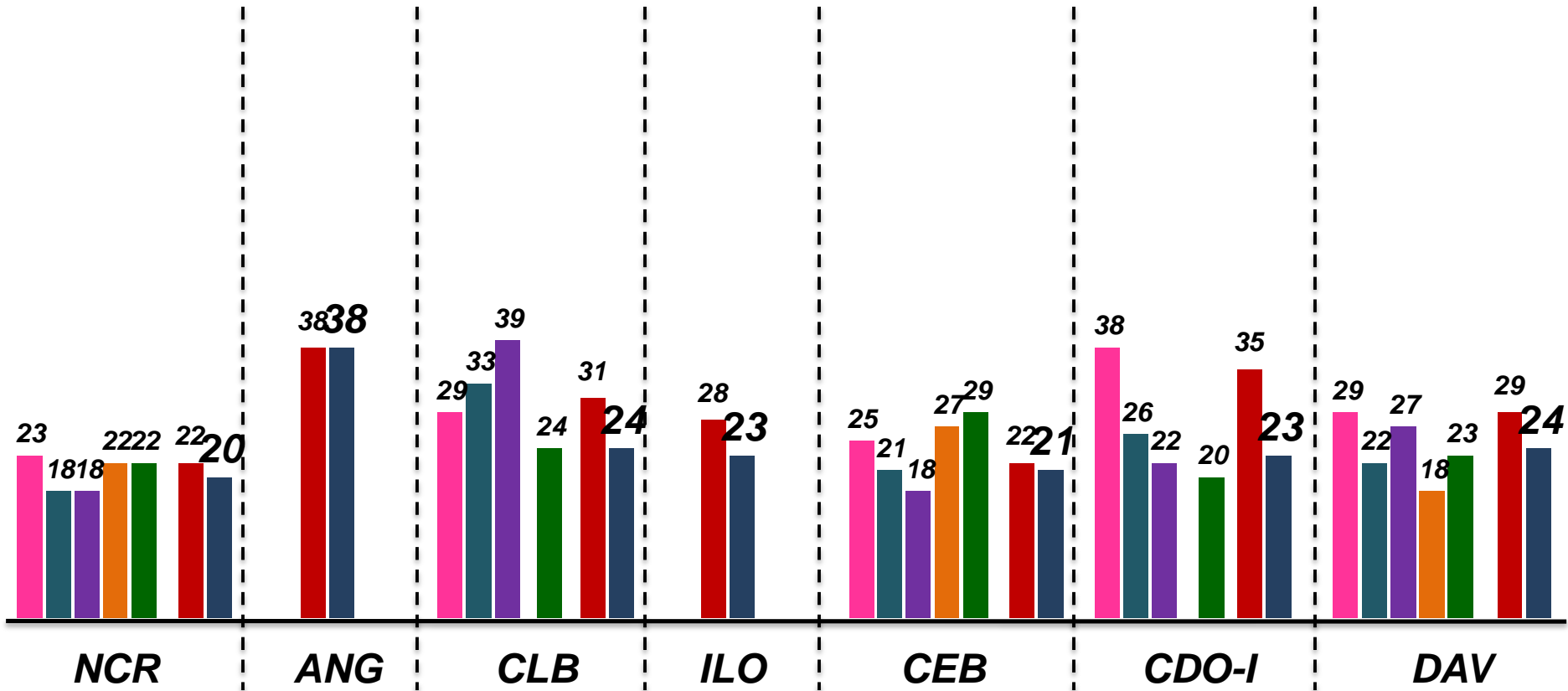


Q46. In your sector of business, how many companies do you think give bribes to win private business sector contracts?

ENTERPRISES SAYING “MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PRIVATE SECTOR CONTRACTS”, BY AREA, 2005 TO 2013

Base: Total Who Say There Is Corruption in the Public Sector

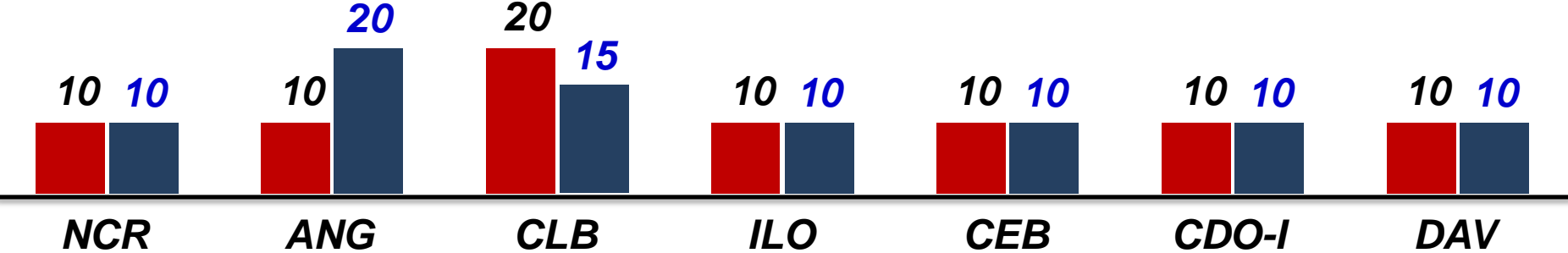
'05 '06 '07 '08 '09 '12 '13



Q46. In your sector of business, how many companies do you think give bribes to win private business sector contracts?

MEDIAN PERCENTAGE OF CONTRACTS ALLOTTED AS A BRIBE TO WIN A PRIVATE BUSINESS CONTRACT, BY AREA, 2012 TO 2013

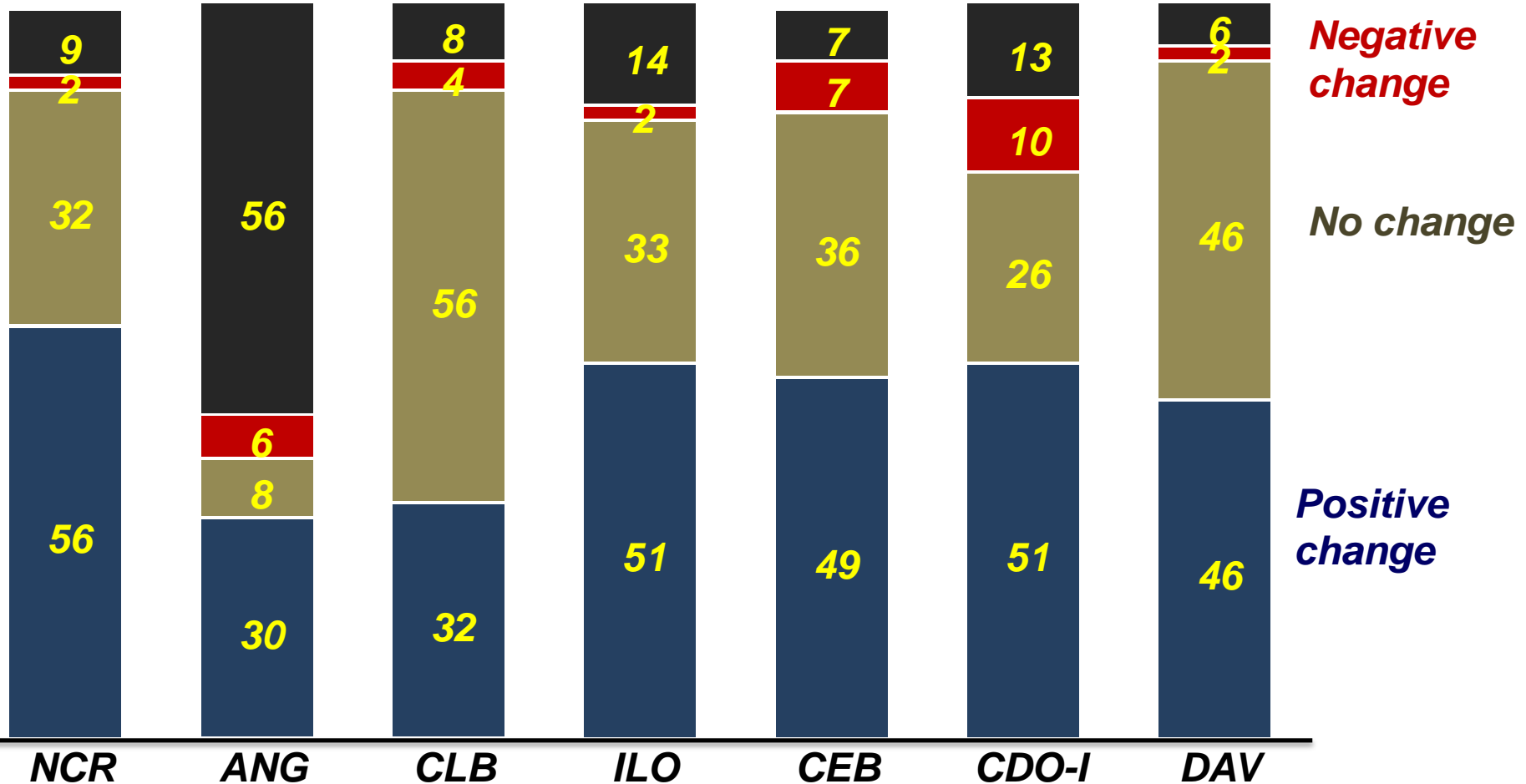
Base: Total Who Say Companies in Their Sector Allot Percentage of Contract for Bribes to Win Private Sector Corruption



Q47. In instances when bribery happens, what percentage of an average contract is allotted for bribes to win private business contracts?

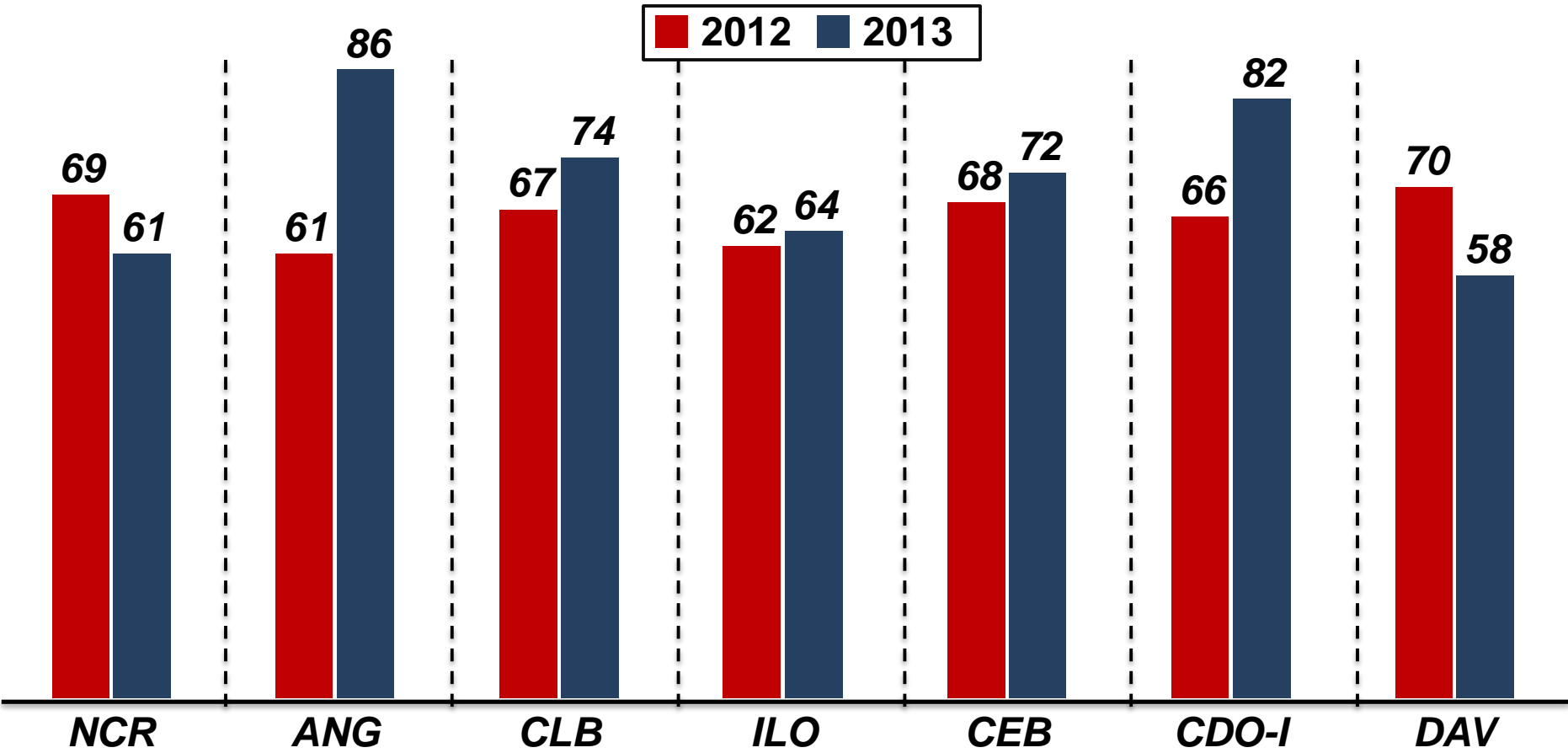
11) BUSINESS EFFORTS TO FIGHT CORRUPTION

EXPECTED CHANGE IN NET INCOME, IF CORRUPTION IS REDUCED TO THAT OF SINGAPORE, BY AREA, 2013



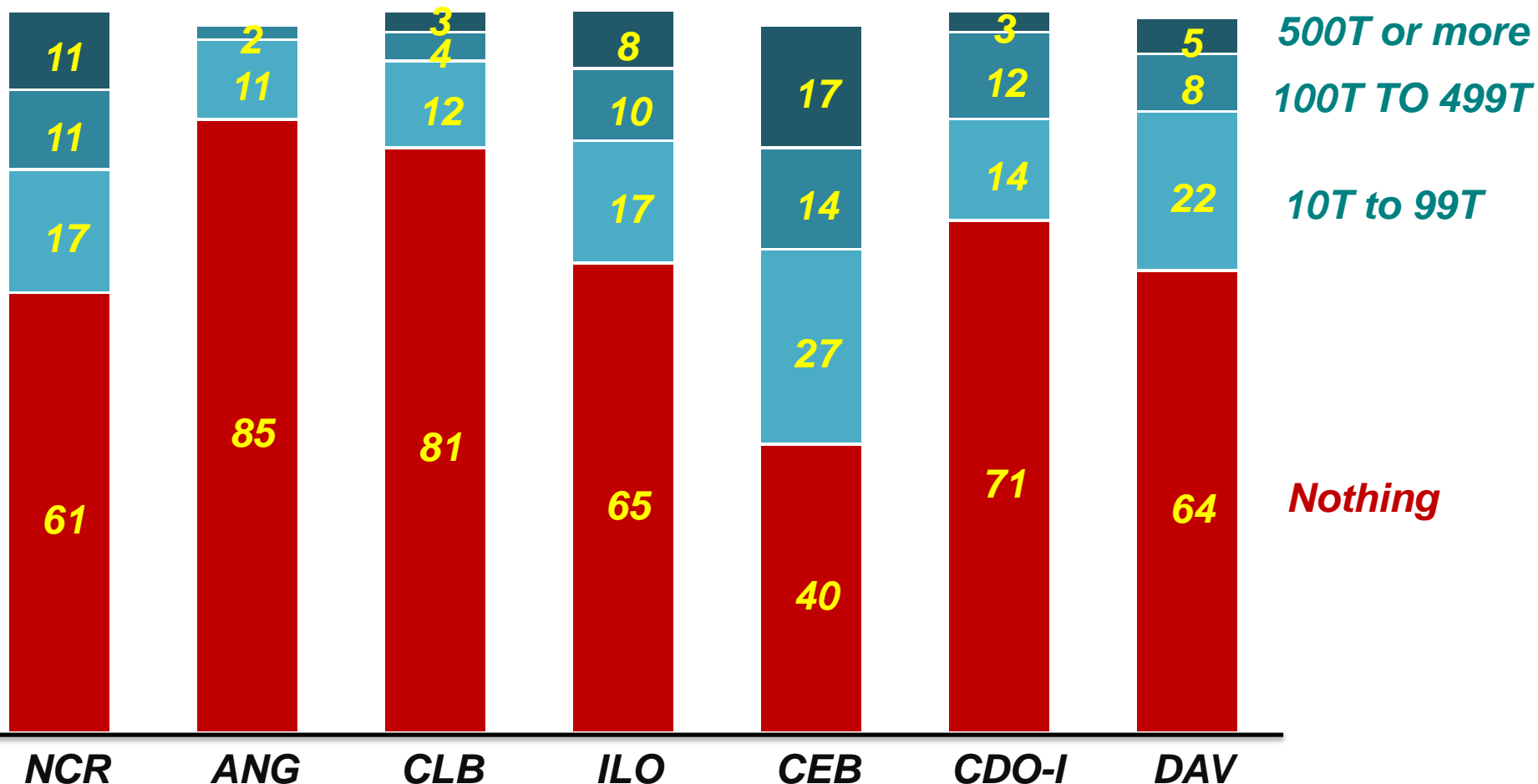
Q90. Should it happen that the amount of corruption in government here in the Philippines were to be reduced to what it is reputed to be in Singapore, do you think that it would affect the net income of your company? IF YES, by how much percent do you think your company's net income would increase or decrease compared to the present situation?

ENTERPRISES WHO ARE WILLING TO CONTRIBUTE A PERCENTAGE OF THEIR NET INCOME TO FUND A PROGRAM THAT WOULD HALVE PUBLIC-SECTOR CORRUPTION IN 10 YEARS, 2000 TO 2013



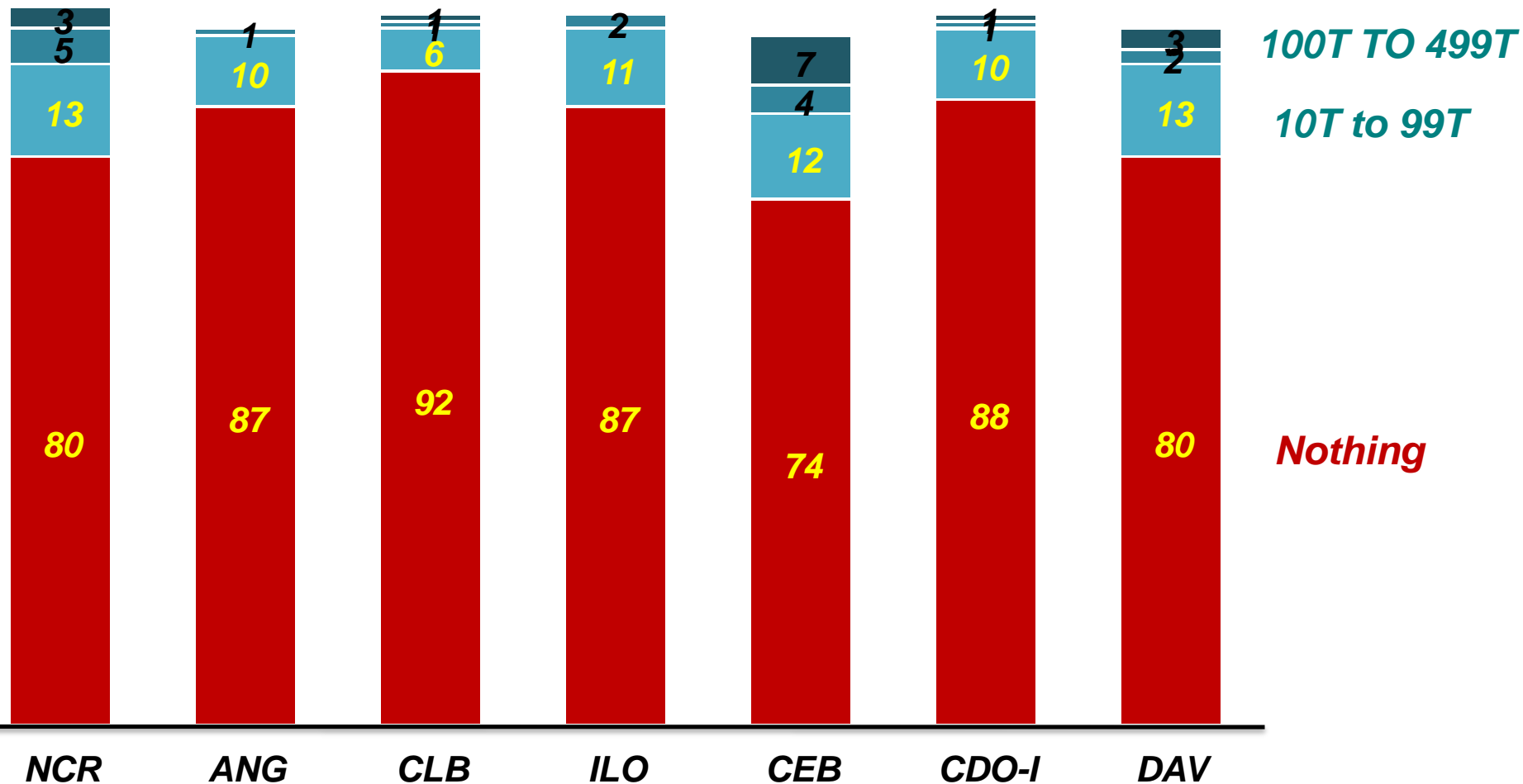
Q93. In case a Program is devised which you believe would reduce public-sector corruption by half within the next ten years, what percentage, if any, of your company's Net Income each year would you be willing to pay to fund the program?

SPENDING IN THE LAST 2 YEARS TO COMBAT FRAUD AND CORRUPTION IN OWN COMPANY, BY AREA, 2013



Q92. In the last 2 years, how much, more or less, has your company spent for combating fraud or corruption *INSIDE* your *OWN* company, such as doing private investigations, prosecution or getting security services? Total over the last 2 years

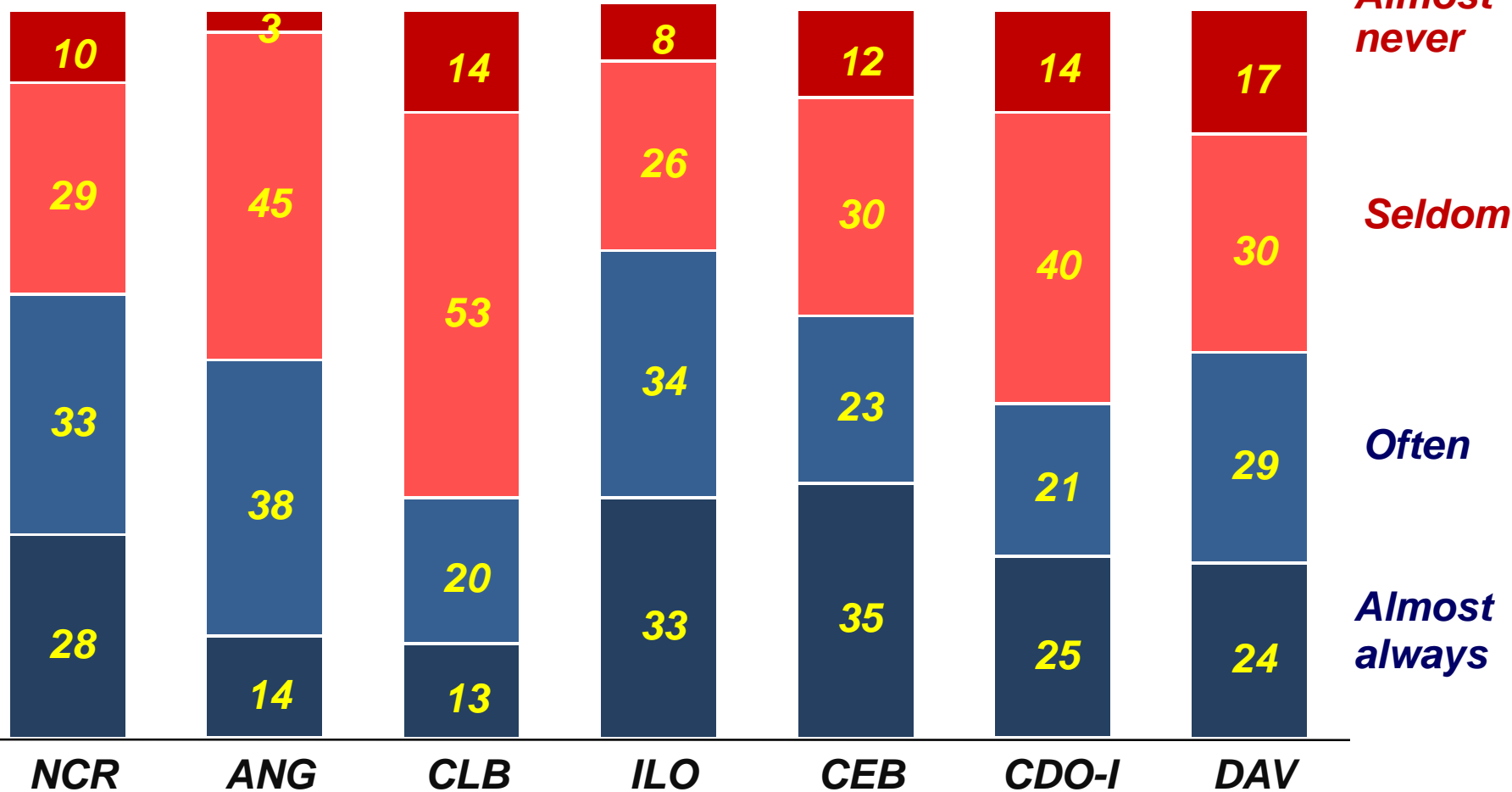
THE COMPANY'S CONTRIBUTION TO ANY PRIVATE ANTI-CORRUPTION PROGRAM IN THE LAST 2 YEARS, BY AREA, 2013



Q92. In the last 2 years, how much, more or less, has your company spent for combating fraud or corruption *INSIDE* your OWN company, such as doing private investigations, prosecution or getting security services? Total over the last 2 years

FREQUENCY OF PUNISHING CORRUPT EXECUTIVES IN OWN SECTOR OF BUSINESS, BY AREA, 2013

Base: Total Who Say There Is Corruption in the Private Sector



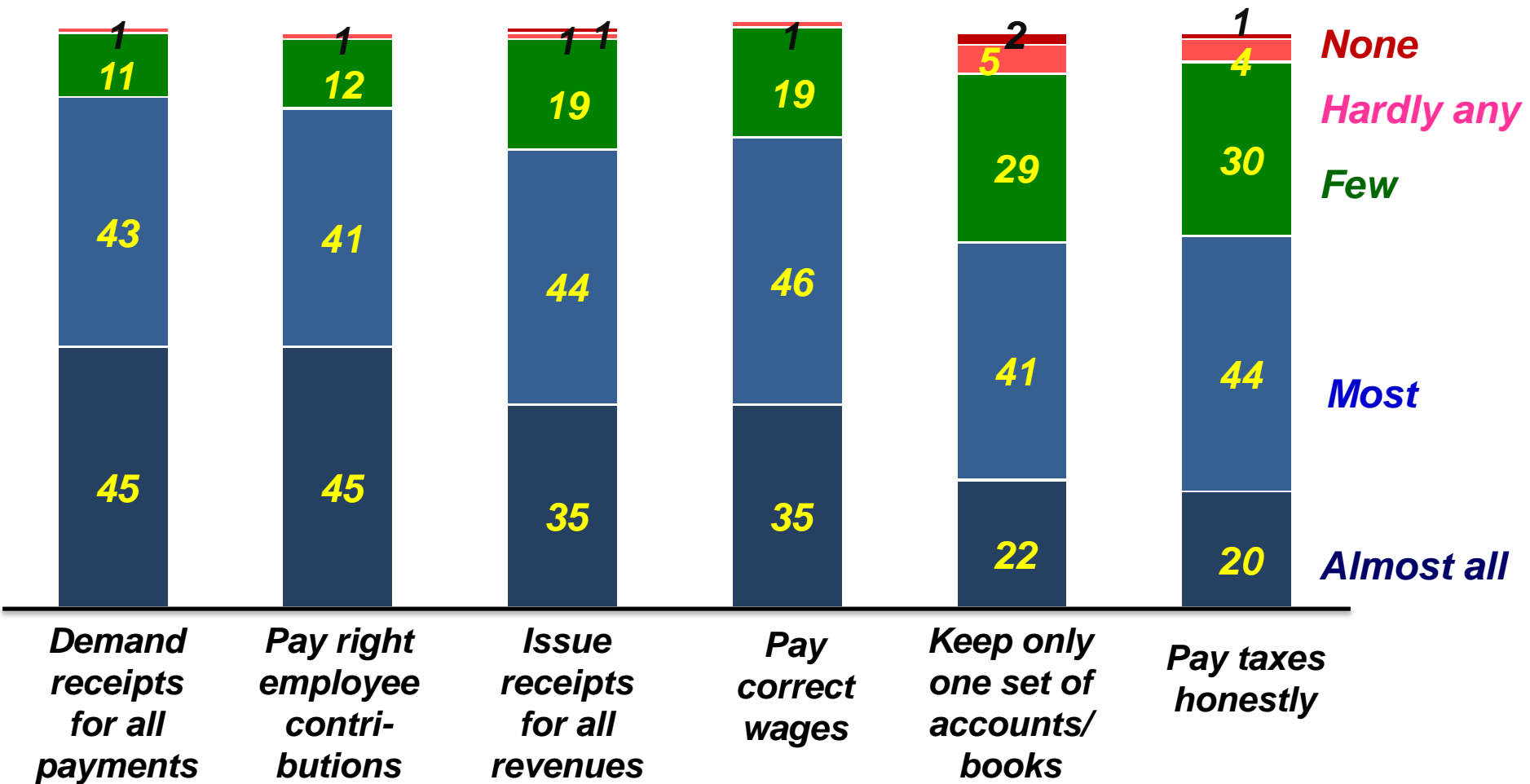
Q48. In your sector of business, how often do enterprises punish their corrupt executives?

12) HONEST BUSINESS PRACTICES

Citations that “almost all” companies in my line of business conduct honest business practices are
FLAT

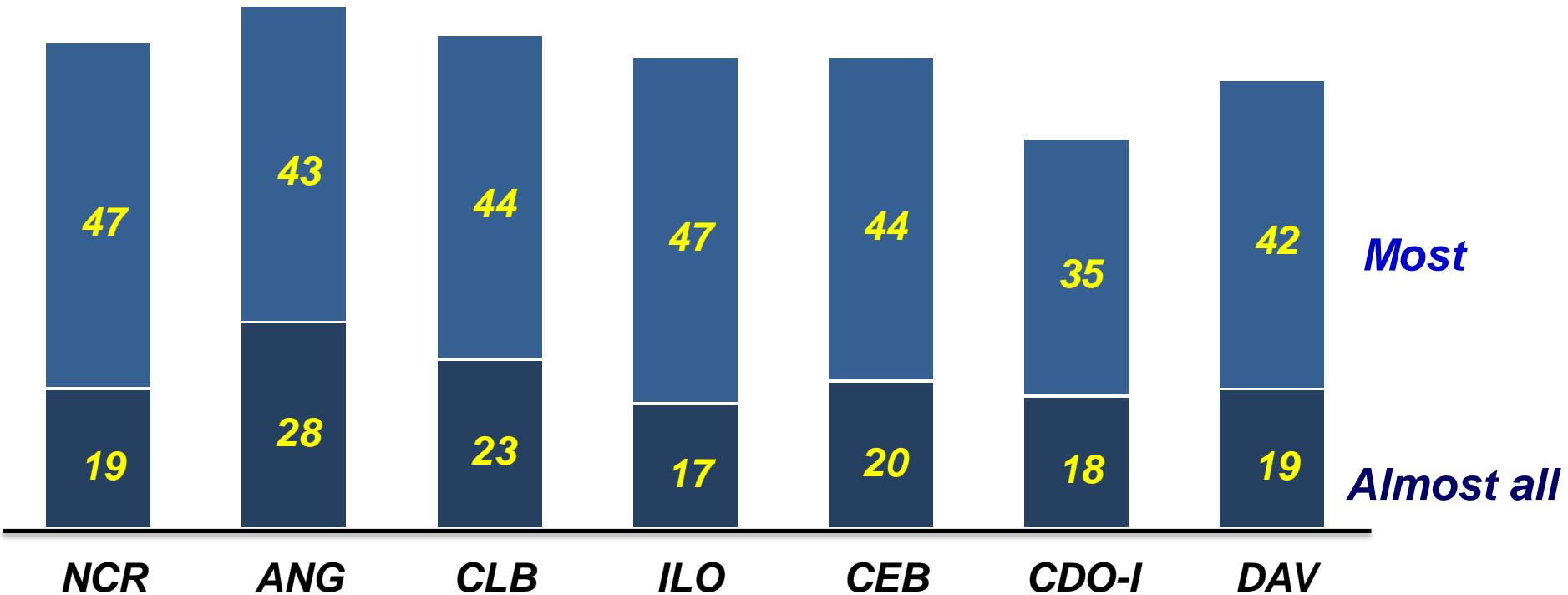
NUMBER OF COMPANIES IN THE LINE OF BUSINESS THAT CONDUCT HONEST BUSINESS PRACTICES, 2013

Base: Total Who Say There Is Corruption in the Private Sector



ALMOST ALL/MOST COMPANIES IN OWN LINE OF BUSINESS PAY TAXES HONESTLY, BY AREA, 2012

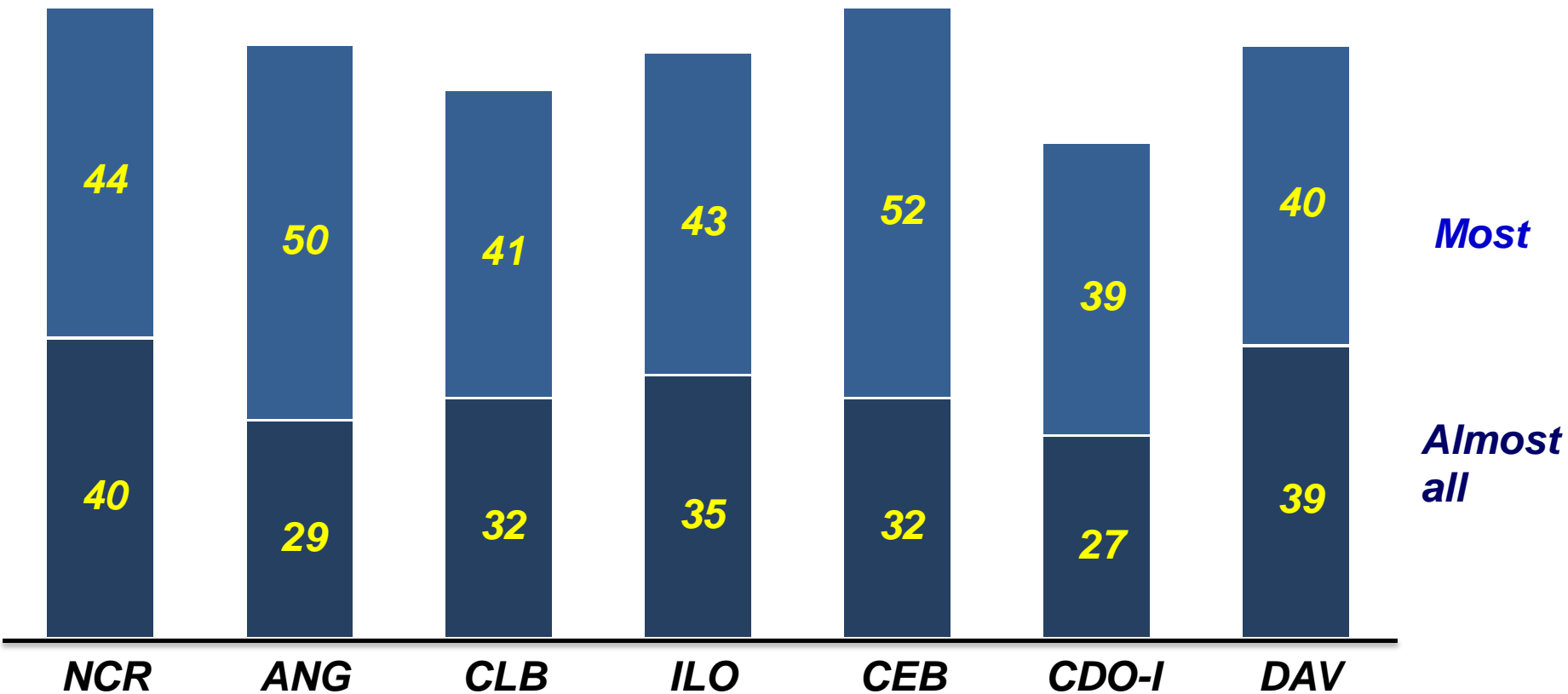
Base: Total Who Say There Is Corruption in the Private Sector



Q49. In your sector of business, how many companies do you think pay taxes honestly?

ALMOST ALL/MOST COMPANIES IN OWN LINE OF BUSINESS ISSUE RECEIPTS FOR ALL REVENUES, BY AREA, 2013

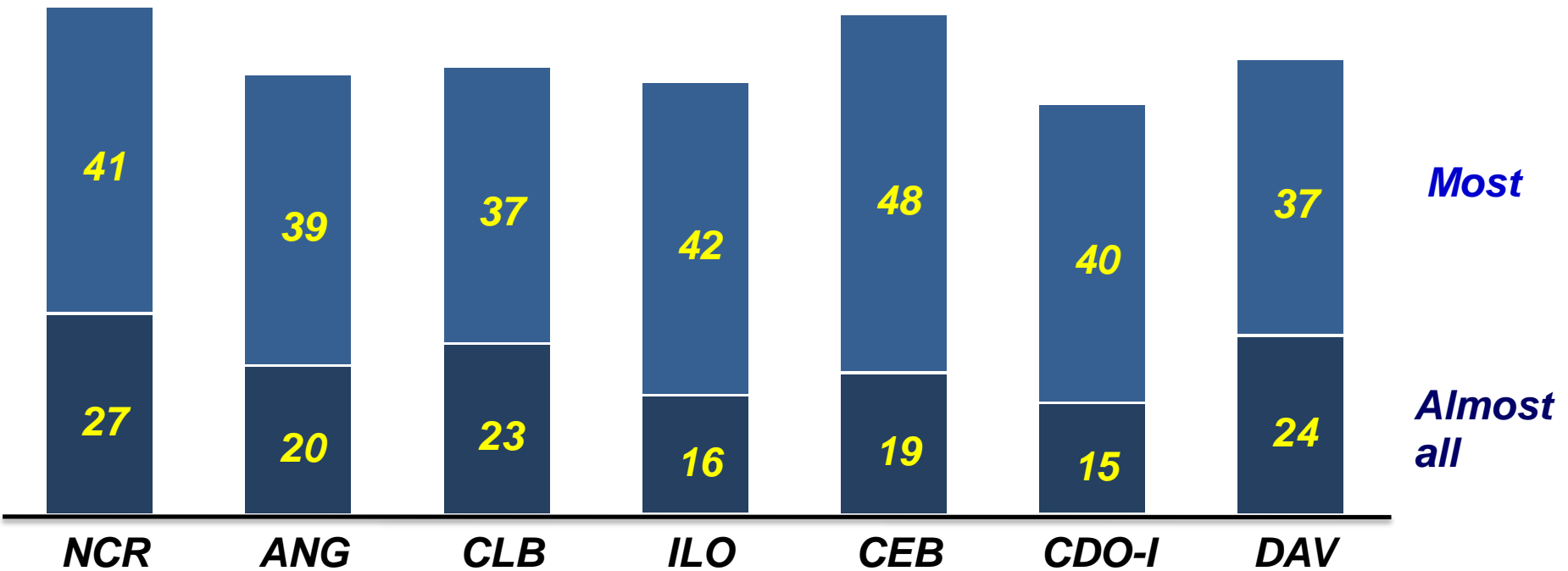
Base: Total Who Say There Is Corruption in the Private Sector



Q50. In your sector of business, how many companies do you think issue receipts for all revenues?

**ALMOST ALL/MOST COMPANIES IN OWN LINE OF BUSINESS KEEP
ONLY ONE SET OF ACCOUNTS,
BY AREA, 2013**

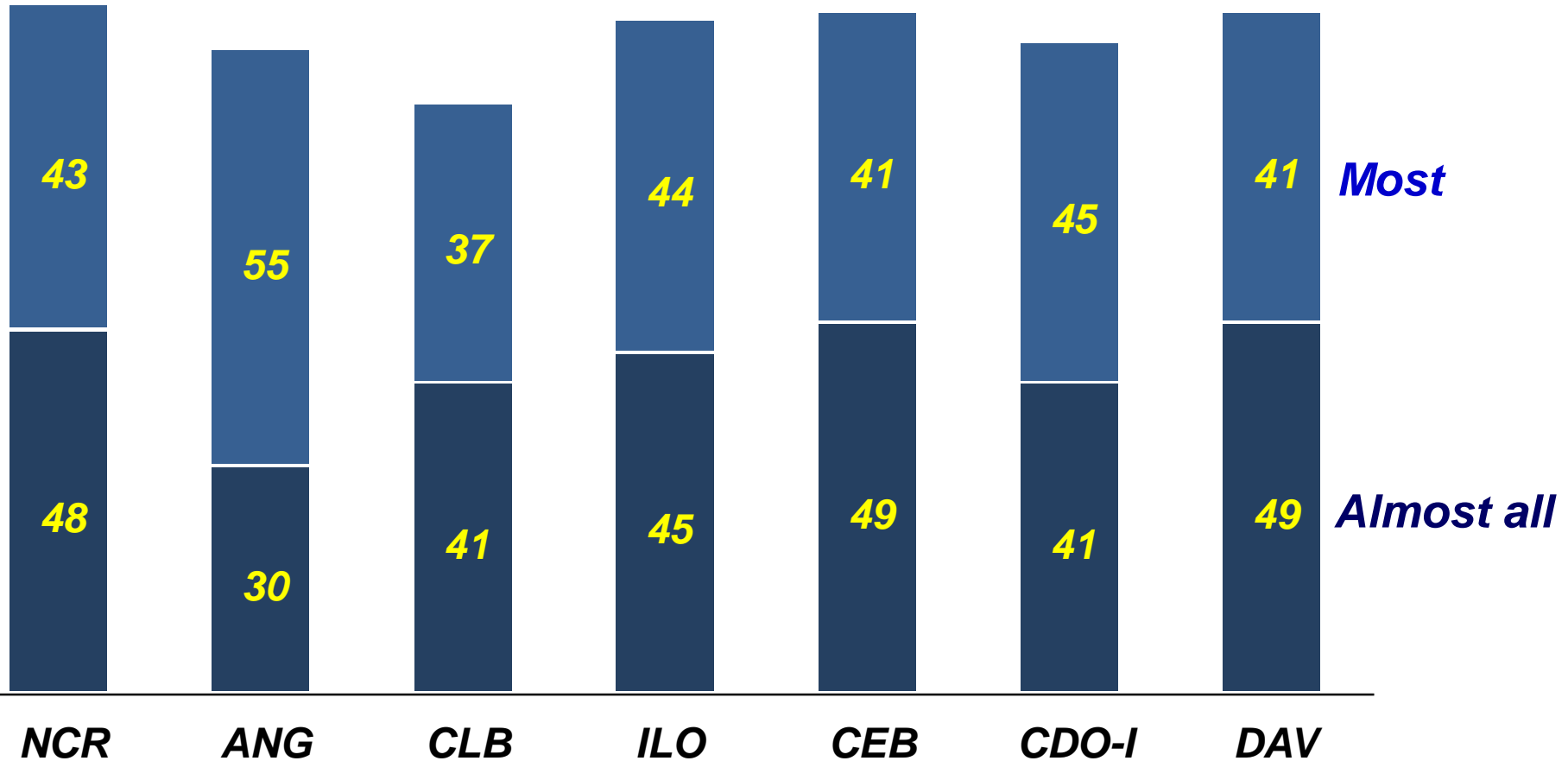
Base: Total Who Say There Is Corruption in the Private Sector



Q51. In your sector of business, how many companies do you think keep only one set of accounts/books?

ALMOST ALL/MOST COMPANIES IN OWN LINE OF BUSINESS DEMAND RECEIPTS FOR ALL PAYMENTS, BY AREA, 2012

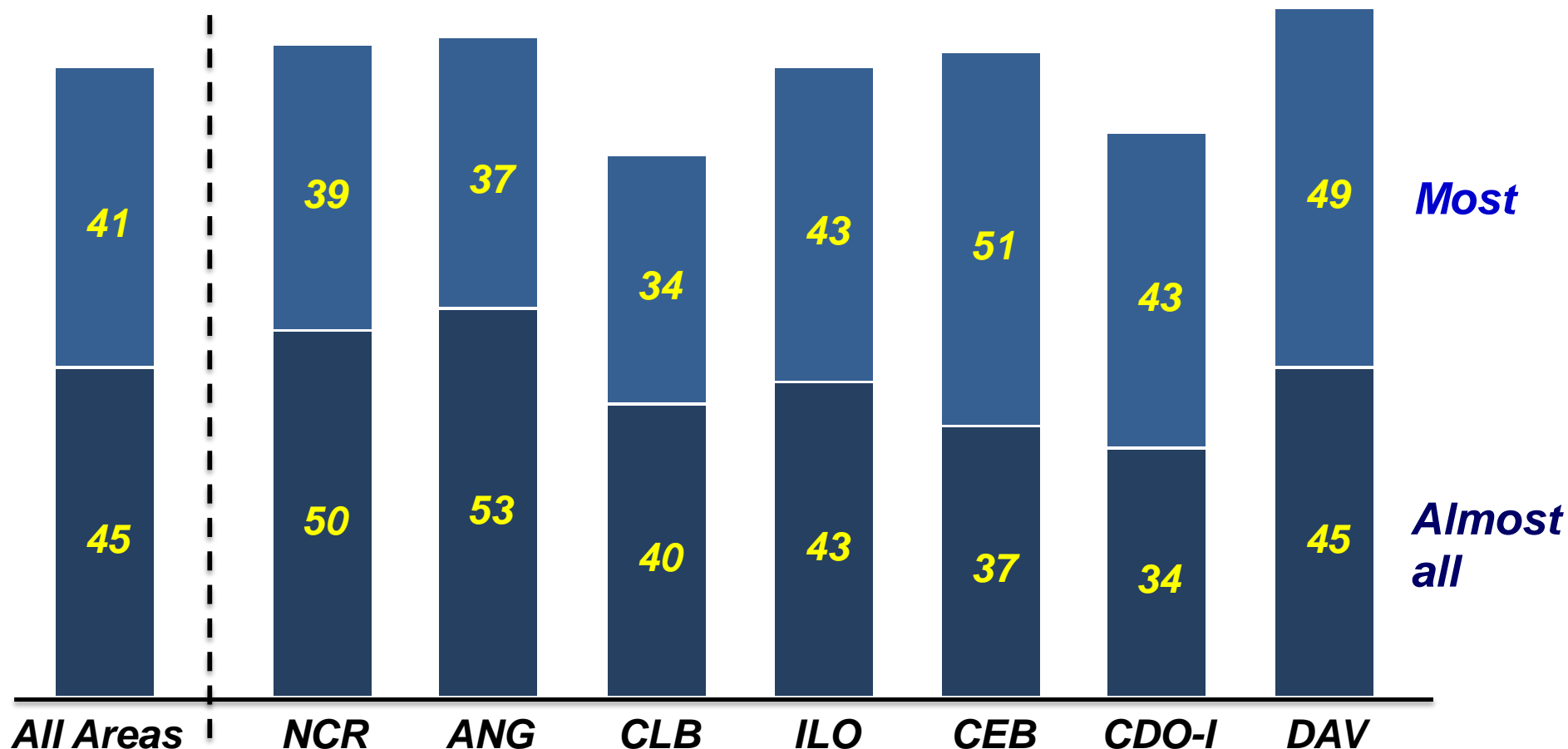
Base: Total Who Say There Is Corruption in the Private Sector



Q52. In your sector of business, how many companies do you think demand receipts for all payments for expenses?

NUMBER OF COMPANIES IN THE LINE OF BUSINESS THAT PAY THE RIGHT CONTRIBUTIONS FOR MANDATORY BENEFITS FOR EMPLOYEES, BY AREA, 2013

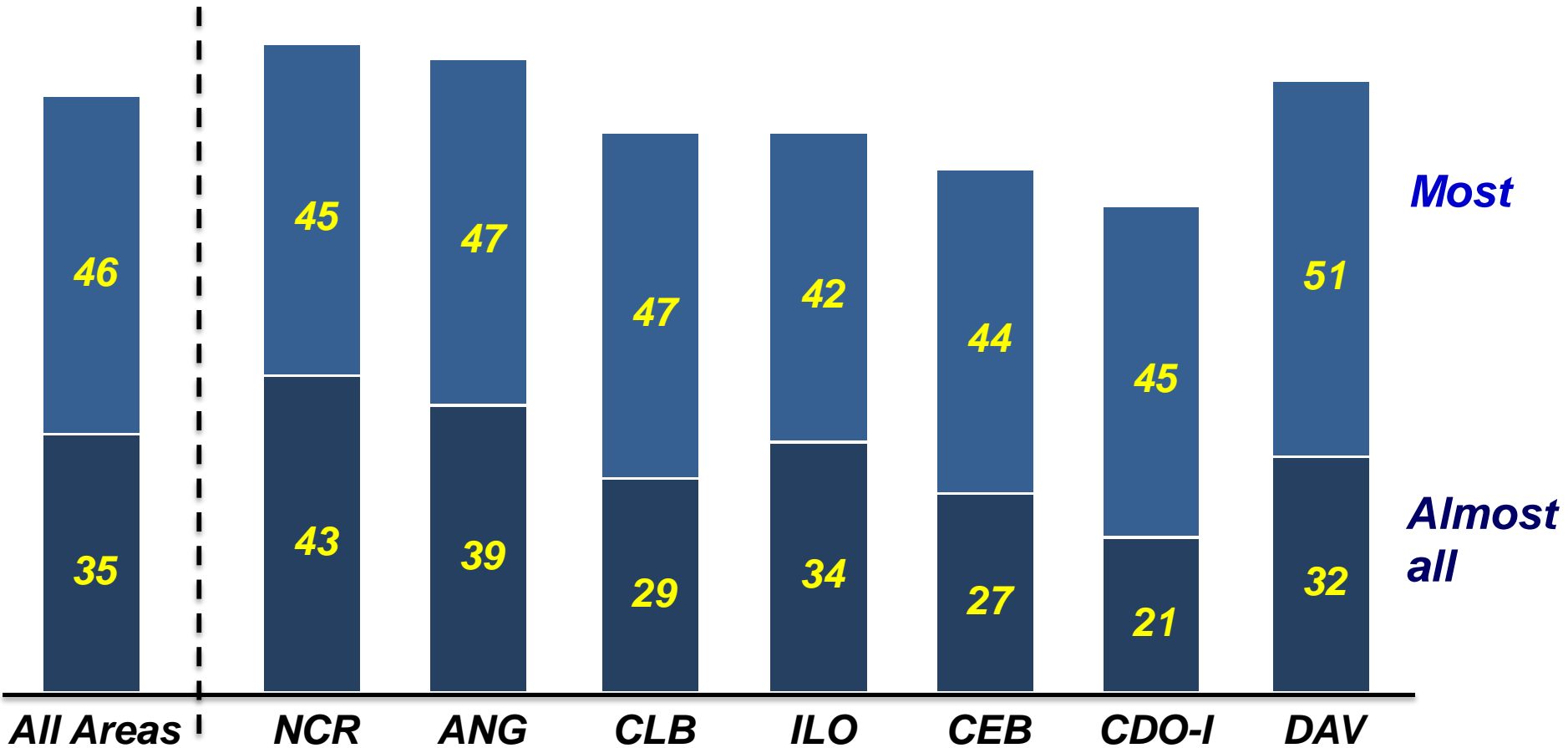
Base: Total Who Say There Is Corruption in the Private Sector



Q53. In your sector of business, how many companies do you think pay the right contributions for mandatory benefits for employees, such as SSS, PhilHealth o HDMF?

NUMBER OF COMPANIES IN THE LINE OF BUSINESS THAT PAY THE CORRECT WAGES OF THEIR EMPLOYEES, BY AREA, 2013

Base: Total Who Say There Is Corruption in the Private Sector

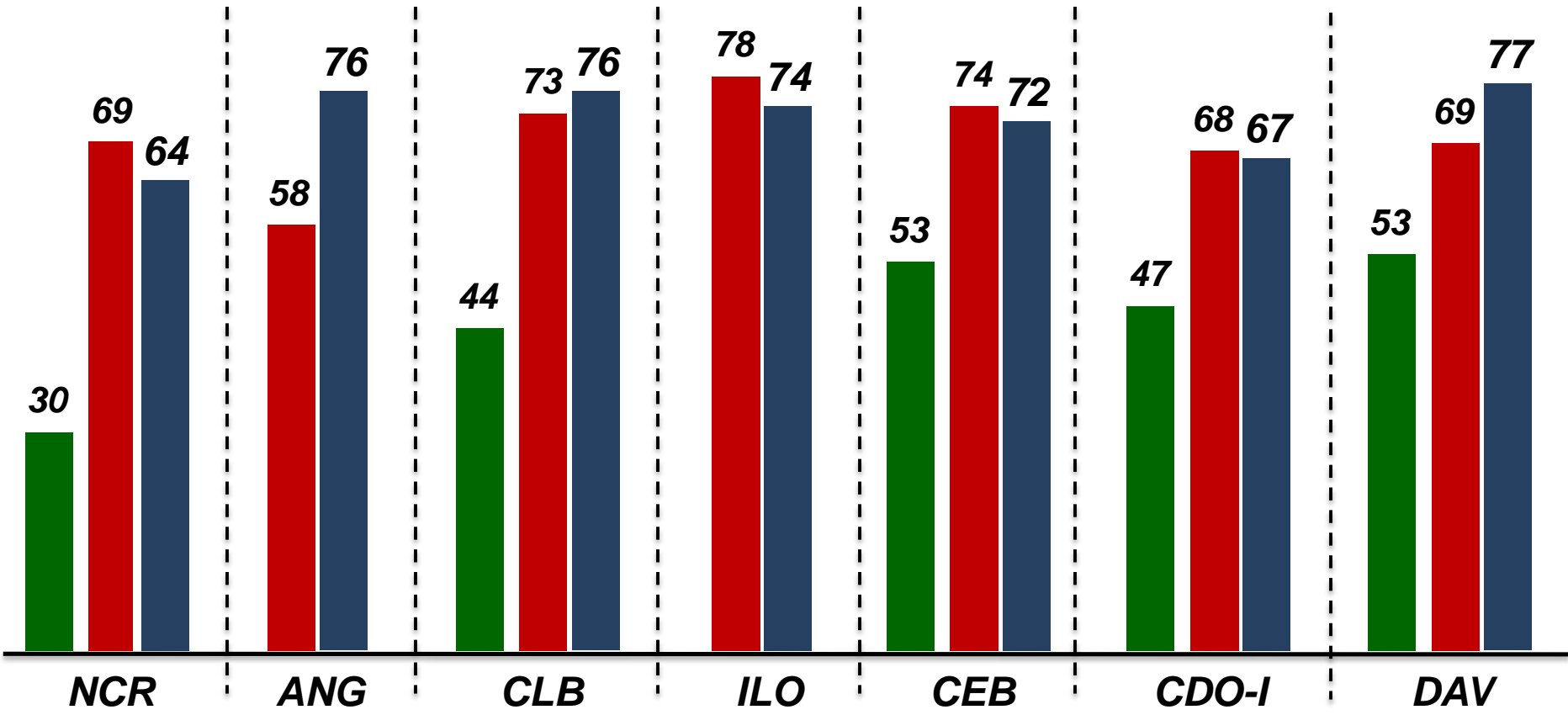


Q54. In your sector of business, how many companies do you think pay the correct wages of their employees?

13) THE BUSINESS CLIMATE

PERCENT SATISFIED WITH THE NATIONAL GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, BY AREA, 2009 TO 2013

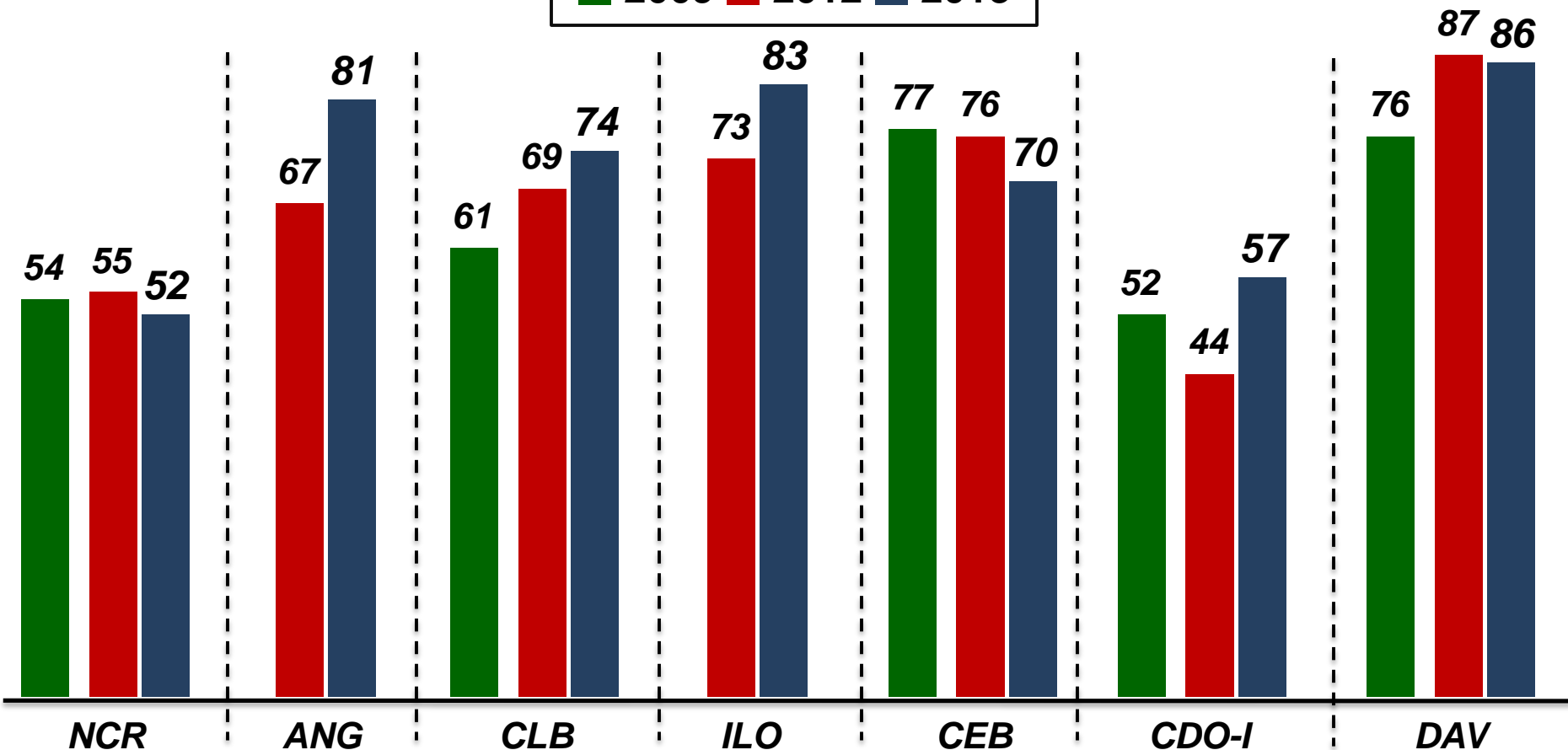
■ 2009 ■ 2012 ■ 2013



Q128. How satisfied or dissatisfied are you with the National Government's performance in promoting a good climate for business in the Philippines?

PERCENT SATISFIED WITH YOUR CITY GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, BY AREA, 2009 TO 2013

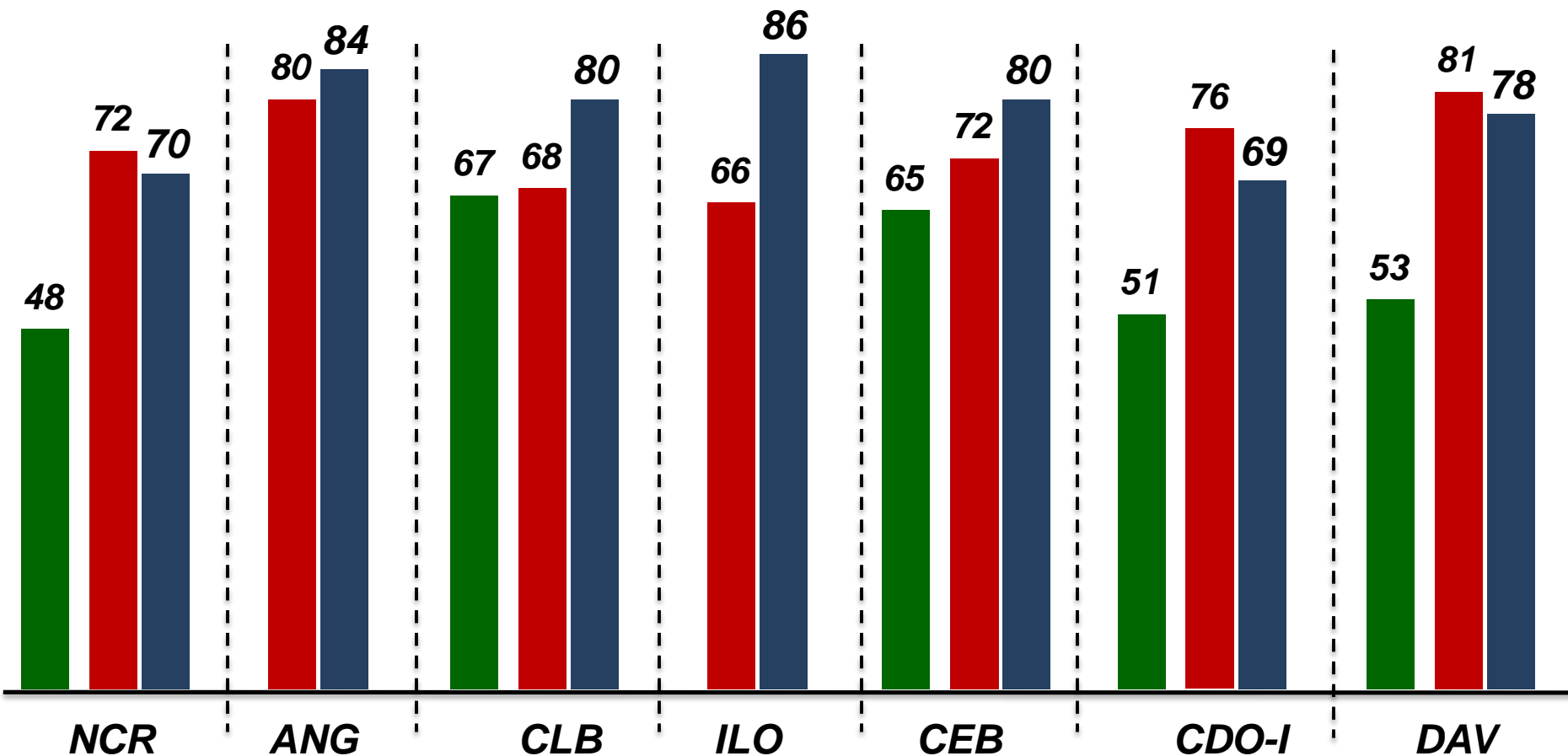
■ 2009 ■ 2012 ■ 2013



Q129. How satisfied or dissatisfied are you with the City/Municipal Government's performance in promoting a good climate for business in this City/Municipality?

PERCENT EXCELLENT/GOOD BUSINESS EXPECTATIONS IN THE NEXT 2 YEARS, BY AREA, 2012 AND 2013

■ 2009 ■ 2012 ■ 2013



Q130. In the next 2 years, do you expect that business conditions will be...?

Summary of Findings (1):

- Those seeing “a lot” of corruption in the public sector rose to **56% in 2013** (second-lowest since 2000), from **43% in 2012** (record-low).
- **42%** say “most/almost all” companies in my sector of business give bribes to win govt. Contracts, practically the same as the record-low 41% in 2012
- Those with personal knowledge of public sector corruption in their sector of business in the last 3 months rose to **38% in 2013**, from record-low 33% in 2012

Summary of Findings (2):

- Those with “extensive knowledge” of the administration’s anti-corruption efforts fell slightly to **35% in 2013**, from **37% in 2012**.
- Those saying that the administration’s steps to eradicate corruption are “somewhat/very effective” fell slightly to **73% in 2013**, from **78% in 2012**.
- Those saying that government “often/almost always” punishes corrupt govt. officials fell to **20% in 2013**, from **27% in 2012**.

Summary of Findings (3):

Ratings of sincerity of 24 gov't institutions in fighting corruption:

- **1 Excellent (+70 and above):** Office of the President
- **4 Very Goods (+50 to +69):** DTI, DOH, SSS, DSWD
- **4 Goods (+30 to +49):** DepEd, DOLE, Supreme Court, DOJ
- **5 Moderates (+10 to +29):** city govt, Ombudsman, COA, DILG, Sandiganbayan
- **6 Neutrals (+9 to -9):** trial courts, DBM, DOTC, Comelec, DENR, Senate
- **4 Pooors (-10 to -29):** BIR, DPWH, PNP, House of Reps
- **1 Bad (-30 to -29):** LTO
- **1 Very Bad (-50 to -69):** BOC

Summary of Findings (4):

- *In 2013, 53% say it is “easier” to get information for bidding on gov’t contract – down from a record-high 60% in 2012*
- *In 2013, 88% say corruption will be reduced by passage by a strong Freedom of Information law – up from 78% in 2009*
- *In 2013, 77% say transaction procedures in city gov’t offices are somewhat/definitely transparent – up from 73% in 2012 and 74% in 2009*
- *In 2013, 67% are willing to pay twice as much for a double-period of validity of a gov’t license/permit – up from 63% in 2012*
- *Solicitations of bribes from enterprises are FALLING:*
 - *For any of seven listed types of bribes: 2013 44% (new all-time low) vs 2012 50%, 2009 60%.*

Summary of Findings (5):

The fight against private sector corruption is generally favorable:

- Citations of private sector corruption being “a lot” is 9% in 2013, more or less flat since 2003***
- Citations that “most/almost all” companies in their sector of business give bribes to win private sector contracts fell from 27% in 2012 to 23% in 2013, but still higher than all in 2006-2009***
- Citations that corrupt executives in their sector of business are “often/almost always” punished fell from record-high 60% in 2012 to 55% in 2013***
- Enterprises with clear rules on giving gifts to government officials are 48% in both 2013 and 2012***

Summary of Findings (6):

- Citations that “almost all” companies in my line of business conduct honest business practices are **FLAT**
- The business climate is **GOOD**
 - Satisfaction that the **national government** is promoting a good climate reached new record- high 70% in 2013, versus 69% in 2012
 - Satisfaction that the **city government** is promoting a good climate reached new record -high 67% in 2013, versus 64% in 2012.
 - Business expectations for the next two years are excellent/good – reached new record- high 76% in 2013, versus 74% in 2012.



Quot homines tot sententiae

As Many Opinions As There are People