



The Australian Embassy - The Asia Foundation Partnership in the Philippines



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**SOCIAL
WEATHER
STATIONS**

The 2016 Surveys of Enterprises on Corruption

February 2 to May 6, 2016

Conducted by Social Weather Stations (SWS) with support from the Australian Embassy-The Asia Foundation (TAF) Partnership in the Philippines, and USAID through the Integrity for Investments Initiative (i3), and in partnership with the National Competitiveness Council (NCC)

12 October 2016

Hotel Elizabeth, Cebu City

- ***The 2016 Survey of Enterprises on Corruption is the 13th in a series conducted in 2000-2009, and restarted in 2012.***
- ***The 2016 Survey was conducted by SWS with support from the Australian Embassy-The Asia Foundation (TAF) Partnership in the Philippines, and USAID through the Integrity for Investments Initiative (i3), and in partnership with the National Competitiveness Council (NCC)***

PRESENTATION OUTLINE

A. SURVEY DESIGN

B. SURVEY RESULTS

- 1) Corruption In The Government**
- 2) Net Sincerity In Fighting Corruption**
- 3) Government Efforts To Fight Corruption**
- 4) Transactions With Government**
- 5) Enterprises Solicited For A Bribe**
- 6) Private Sector Corruption**
- 7) Honest Business Practices**
- 8) Business Efforts To Fight Corruption**
- 9) The Business Climate**

A. SURVEY DESIGN

THE 2016 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>
Feb 2 – May 6, 2016	7 areas	950	317	633	± 3%
Feb 2 – May 6, 2016	NCR: National Capital Region	350	117	233	± 5%
Feb 12 – Mar 9, 2016	ANG: Metro Angeles	100	33	67	±10%
Feb 12 – Apr 18, 2016	CLB: Cavite-Laguna-Batangas	100	33	67	±10%
Feb 12 – Mar 7, 2016	ILO: Iloilo City	100	33	67	±10%
Feb 12 – Mar 9, 2016	CEB: Metro Cebu	100	33	67	±10%
Feb 12 – Mar 8, 2016	CDO-I: Cagayan de Oro/Iligan City	100	33	67	±10%
Feb 12 – Mar 5, 2016	DAV: Metro Davao	100	33	67	±10%

THE SURVEYS OF ENTERPRISES ON CORRUPTION, 2000 TO 2016

a. Are Time Series

- **13 rounds in National Capital Region (since 2000)**
- **10 rounds in Metro Cebu and Metro Davao (since 2004)**
- **9 rounds in Cavite-Laguna-Batangas and Cagayan de Oro-Iligan (since 2005)**
- **4 rounds in Metro Angeles and Metro Iloilo (since 2012)**

b. Are Stratified by Size

- **2/3 weight: Small & Medium Enterprises**
- **1/3 weight: Large Enterprises**

c. Partial Panel Survey by design

- **SWS interviewed respondents interviewed in previous round**
- **70% panel in 2016**

**PRIMARY SECTOR OF BUSINESS ENTERPRISES,
BASED ON THE ISIC (INT'L STANDARD INDUSTRIAL CLASSIFICATION OF ALL ECONOMIC ACTIVITIES)**

C	- Manufacturing	23%
G	- Wholesale and retail trade	14
S	- Other service and repair activities	10
K	- Financial and insurance activities	7
P	- Education or training	5
A	- Agriculture, forestry and fishing	4
D	- Electricity, gas, steam and air conditioning supply	4
F	- Construction or civil engineering	4
H	- Transportation and storage	4
I	- Accommodation	4
J	- Information and communication	4
M	- Professional, scientific, technical or research services	4
O	- Food service activities	4
L	- Real estate activities	3
Q	- Human health and social work activities	2
B	- Mining and quarrying	1
E	- Water supply; sewerage, waste mgt & remediation activities	1
N	- Administrative and support service activities	1
R	- Arts, entertainment and recreation	1

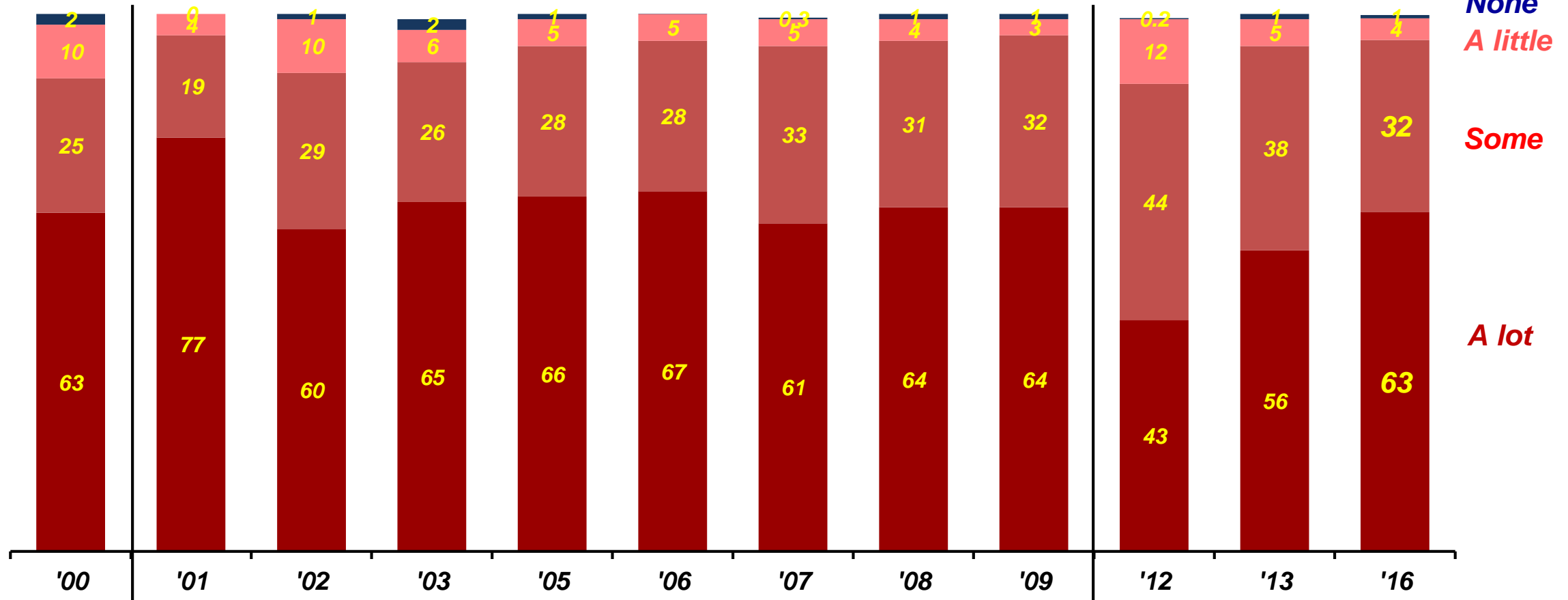
1) PUBLIC SECTOR CORRUPTION

EXTENT OF CORRUPTION IN THE PUBLIC SECTOR, 2000 - 2016

ESTRADA

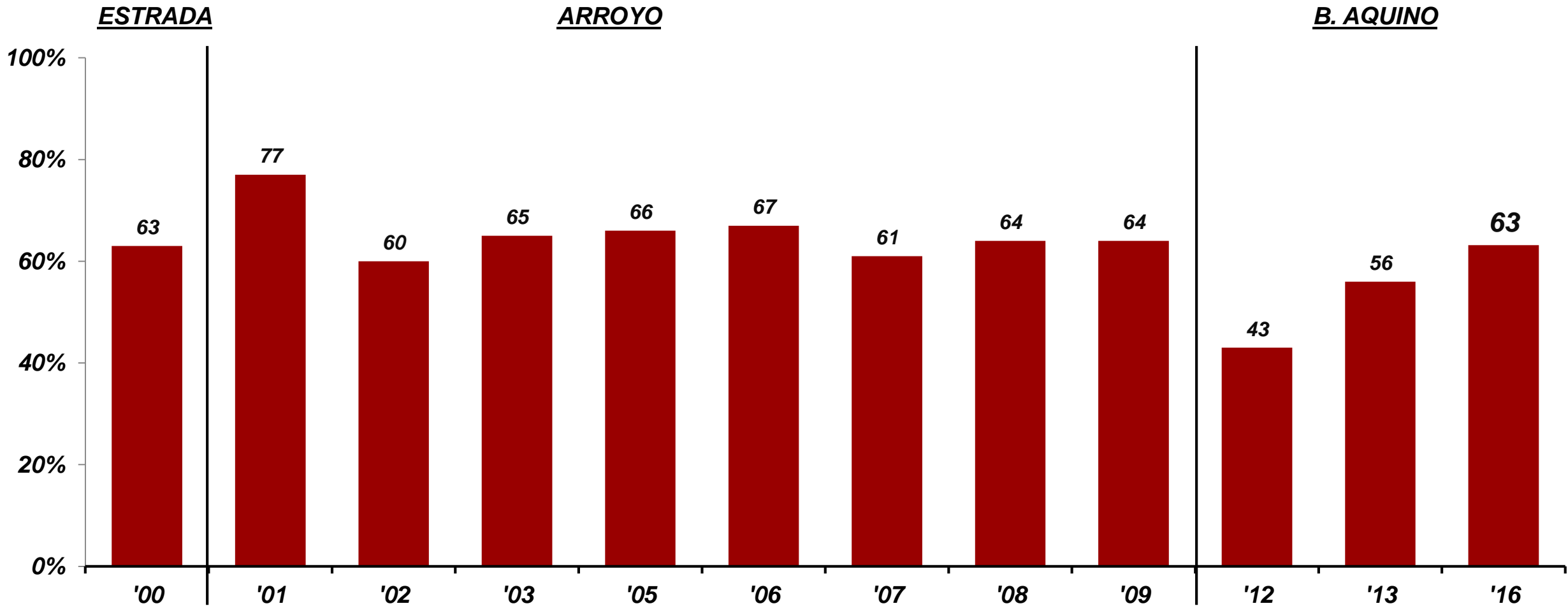
ARROYO

B. AQUINO



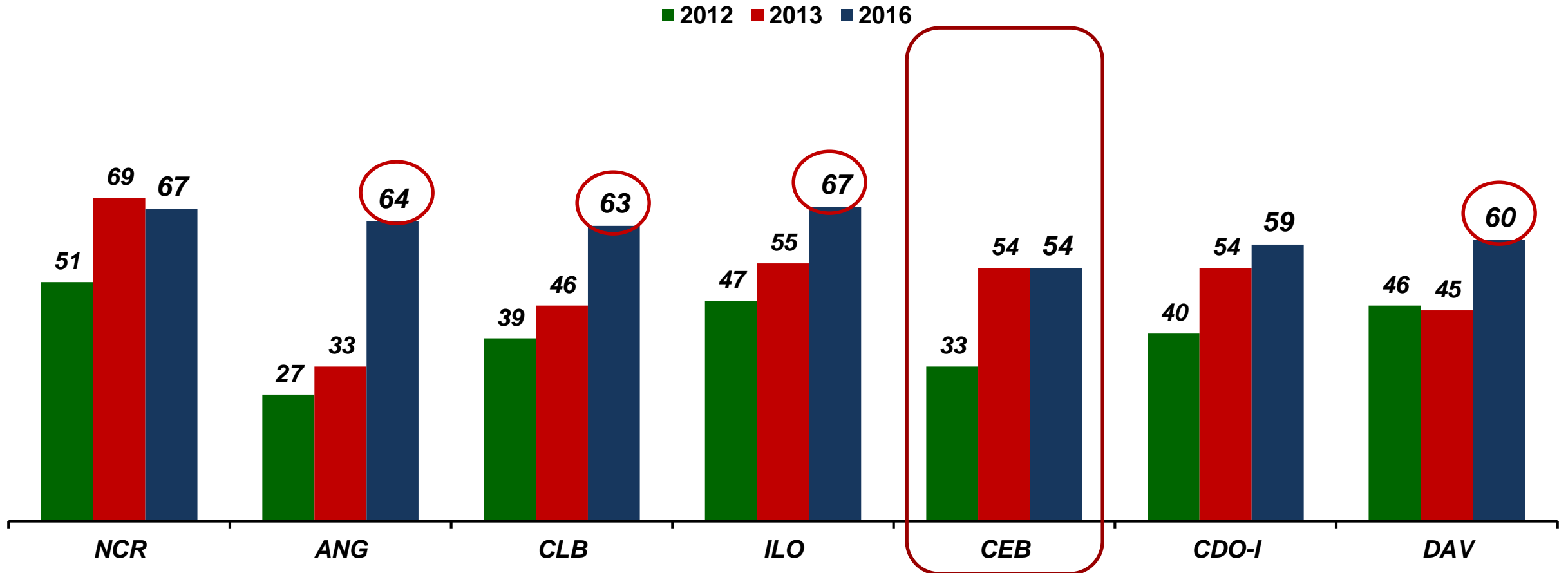
Q50. How much corruption do you think there is in the PUBLIC SECTOR?

THERE IS “A LOT” OF CORRUPTION IN THE PUBLIC SECTOR, 2000 - 2016



Q50. How much corruption do you think there is in the PUBLIC SECTOR?

THERE IS “A LOT” OF CORRUPTION IN THE PUBLIC SECTOR, 2012 - 2016



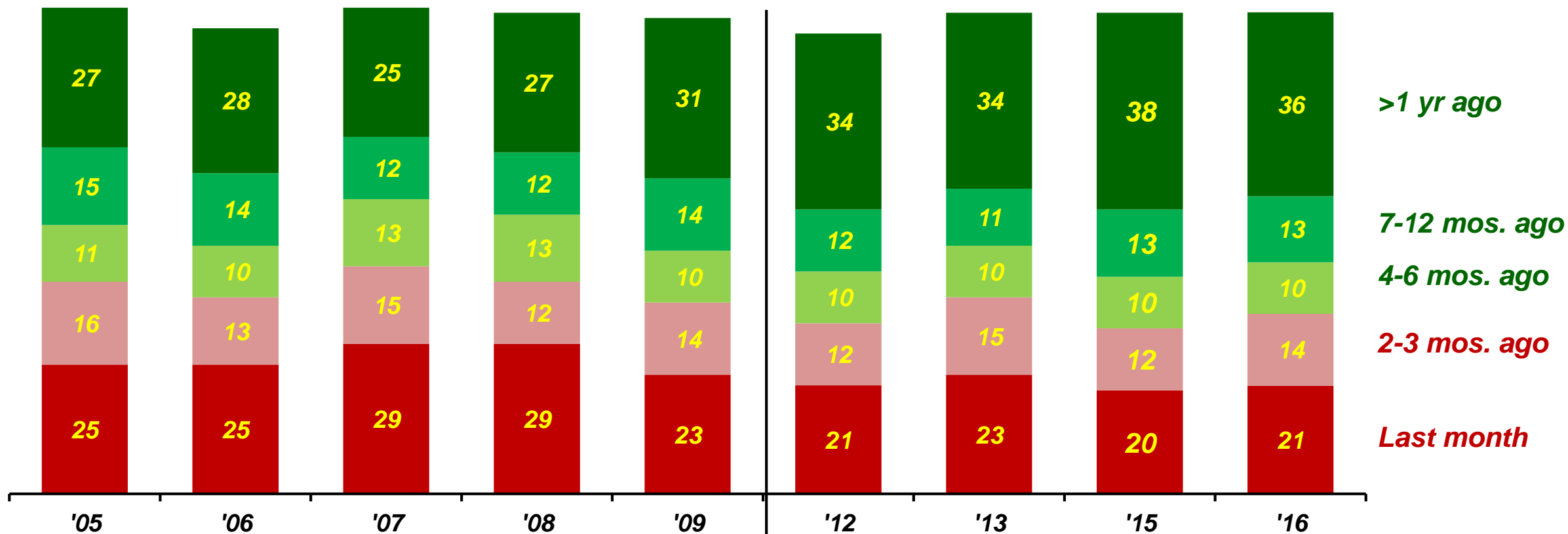
Q50. How much corruption do you think there is in the PUBLIC SECTOR?

LAST TIME WITH PERSONAL KNOWLEDGE OF PUBLIC SECTOR CORRUPTION IN OWN SECTOR OF BUSINESS, 2005 - 2016

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

ARROYO

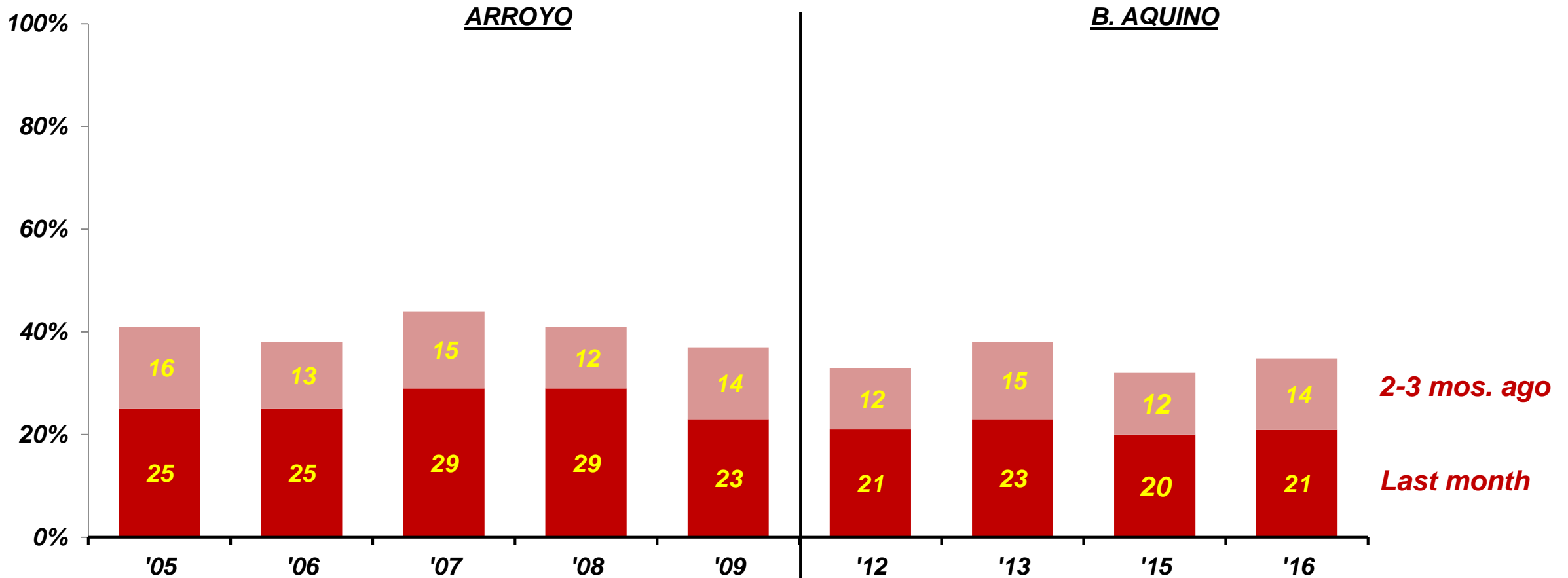
B. AQUINO



Q53. When was the last time you had personal knowledge of a corrupt transaction with government by a company in your sector of business?

HAD PERSONAL KNOWLEDGE OF PUBLIC SECTOR CORRUPTION IN OWN SECTOR OF BUSINESS IN THE LAST THREE MONTHS, 2005 - 2016

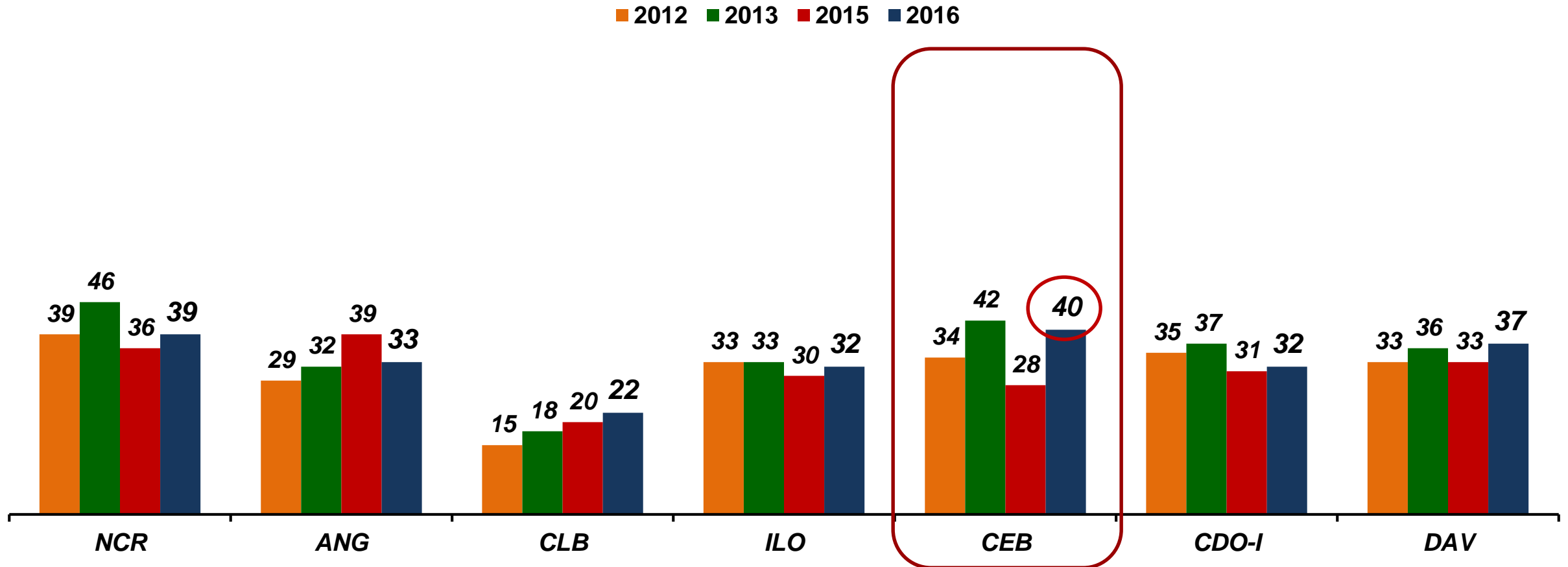
Base: Total Who Say There Is Corruption in the Public Sector



Q53. 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, 2012 - 2016

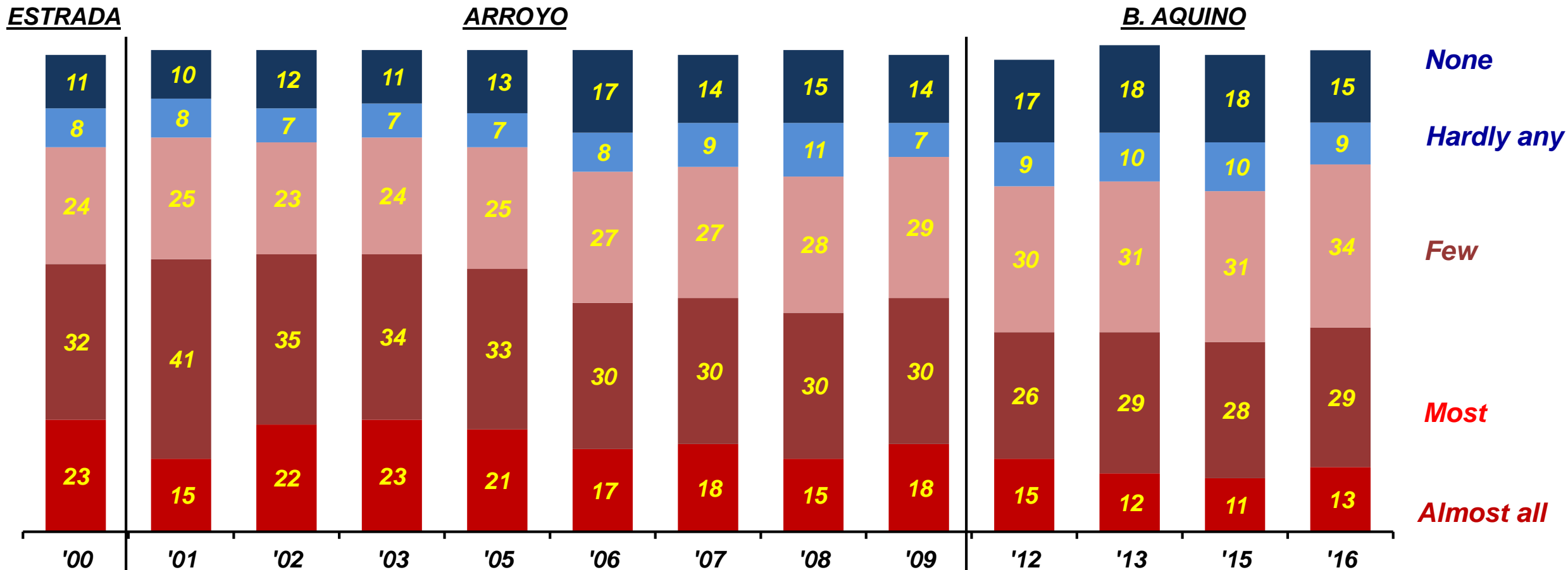
Base: Total Who Say There Is Corruption in the Public Sector



Q53. When was the last time you had personal knowledge of a corrupt transaction with government by a company in your sector of business?

PERCEIVED NUMBER OF COMPANIES IN OWN LINE OF BUSINESS THAT GIVE BRIBES TO WIN PUBLIC SECTOR CONTRACTS, 2000 - 2016

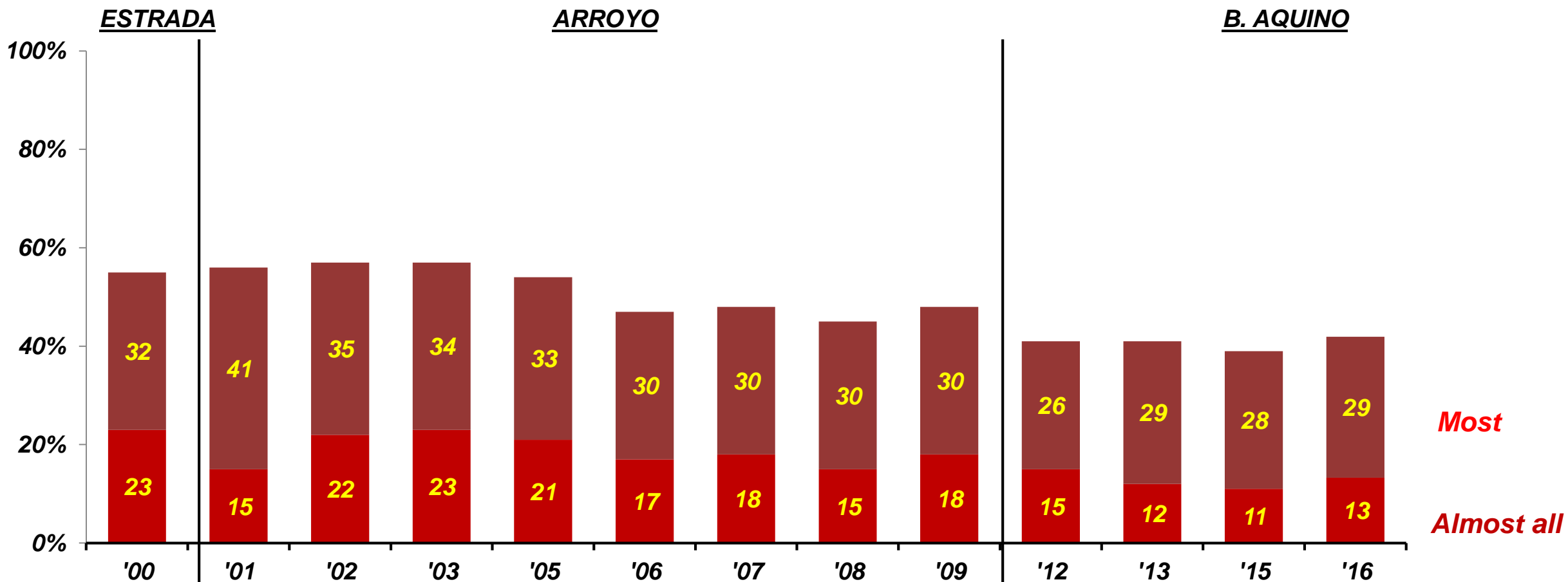
Base: Total Who Say There Is Corruption in the Public Sector



Q54. In your line of business, how many companies do you think give bribes to win public sector contracts?

MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PUBLIC SECTOR CONTRACTS, 2000 - 2016

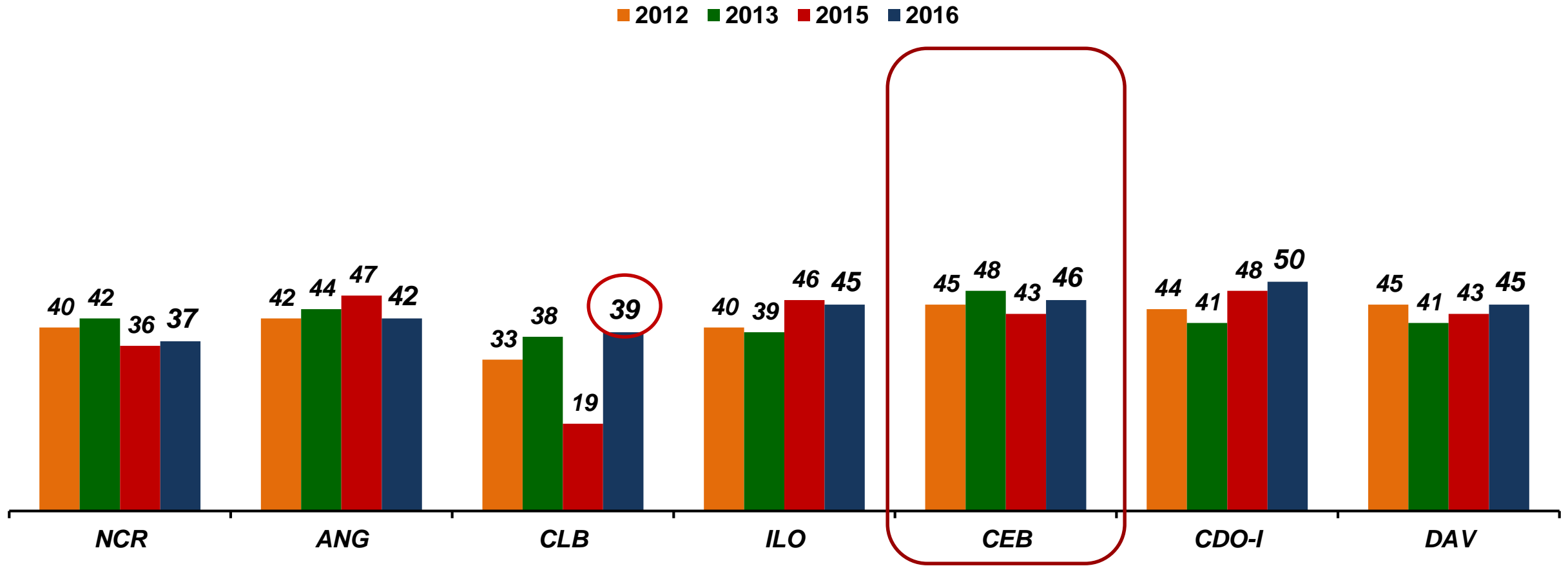
Base: Total Who Say There Is Corruption in the Public Sector



Q54. In your line of business, how many companies do you think give bribes to win public sector contracts?

MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PUBLIC SECTOR CONTRACTS , BY AREA, 2012 - 2016

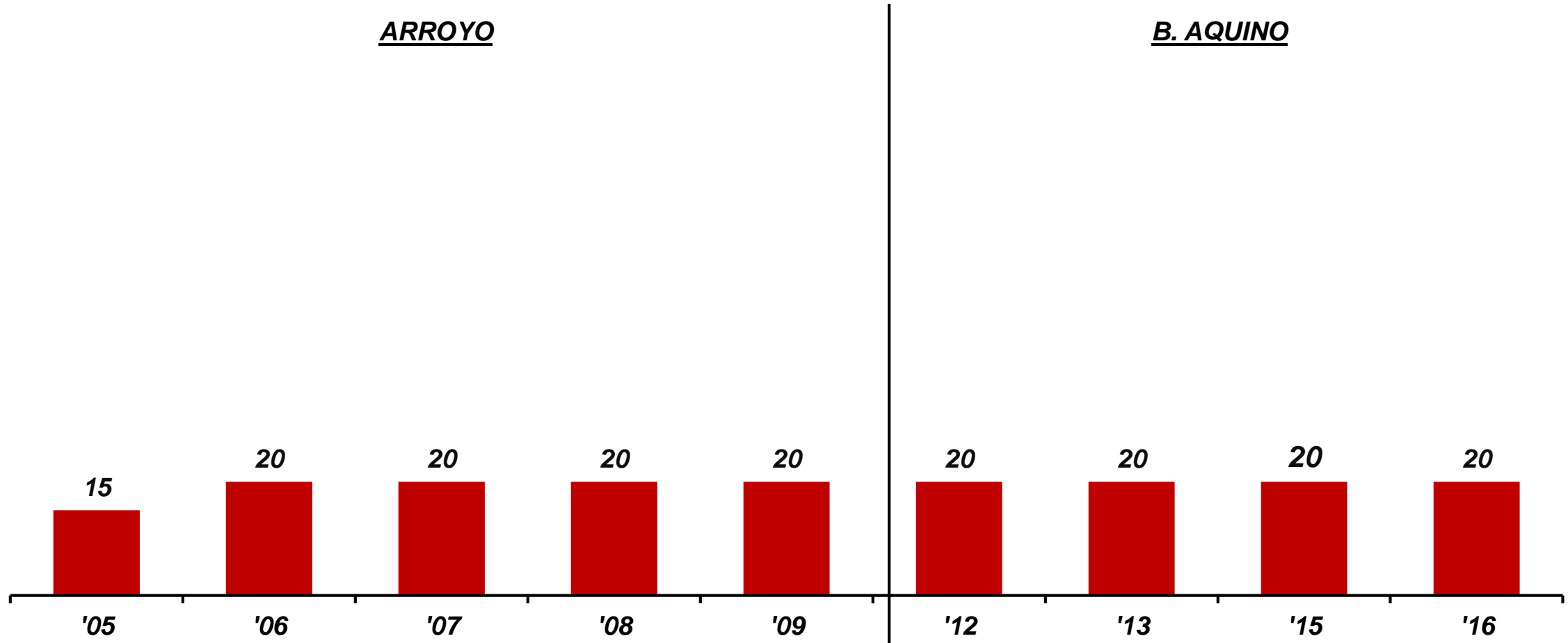
Base: Total Who Say There Is Corruption in the Public Sector



Q54. 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, BY AREA, 2005 – 2016

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

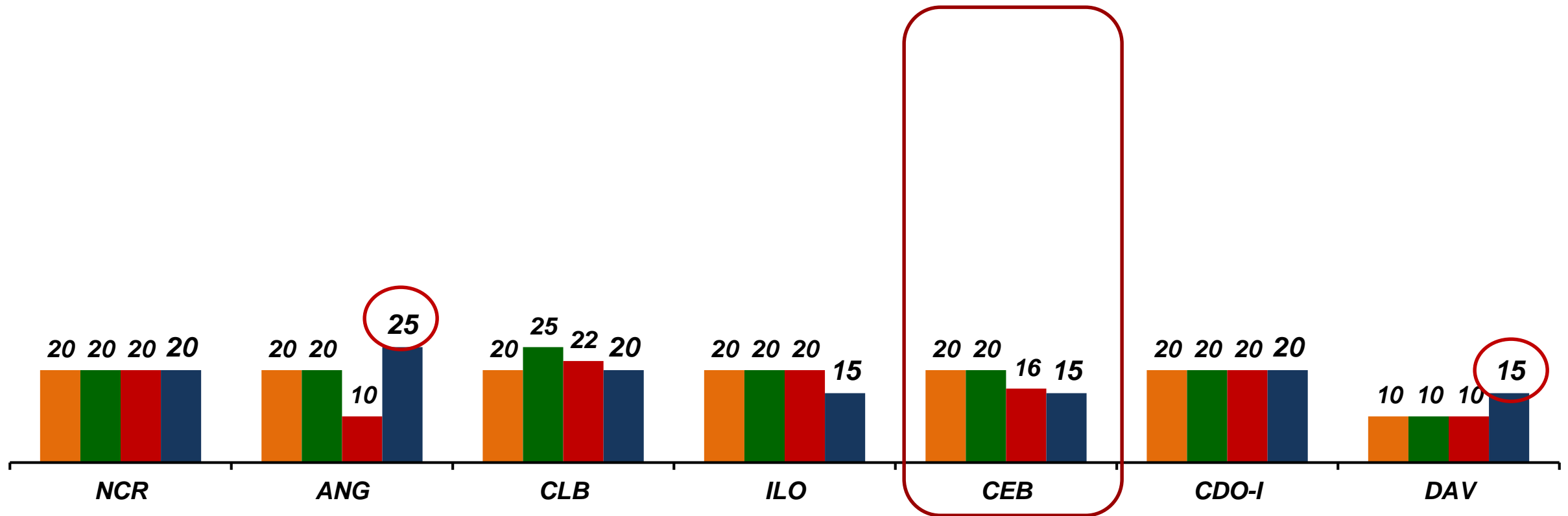


Q68-74. In which of the following transactions has your company been asked for a bribe by anyone in government during 2013-2014?

MEDIAN PERCENTAGE OF CONTRACT ALLOTTED AS BRIBE TO WIN PUBLIC SECTOR CONTRACT, 2012 - 2016

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

2012 2013 2015 2016



Q55. In instances when bribery happens, what percentage of an average contract is allotted for bribes to win public sector contracts?

2) NET SINCERITY IN FIGHTING CORRUPTION

RATINGS OF SINCERITY OF 35 INSTITUTIONS IN FIGHTING CORRUPTION: STATUS IN 2016

- **1 Very Good (+50 to +69): SEC**
- **9 Goods (+30 to +49): DTI, DOLE, Office of the President, DOH, CSC, DepEd, SSS, Supreme Court, Ofc. of the Ombudsman**
- **9 Moderates (+10 to +29): COA, DSWD, Sandiganbayan, GSIS, DOJ, Your Brgy. gov't, Your City/Mun gov't, COMELEC, AFP**
- **8 Neutrals (+9 to -9): DOF, GCG, PCGG, Trial Courts, DENR, Senate, DILG, DA**
- **6 Pooors (-10 to -29): DBM, PNP, DPWH, DOTC, BIR, House of Representatives**
- **1 Bad (-30 to -49): LTO**
- **1 Very Bad (-50 to -69): BOC**

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

RATINGS OF SINCERITY OF 35 INSTITUTIONS IN FIGHTING CORRUPTION: MOVEMENTS FROM 2015 TO 2016

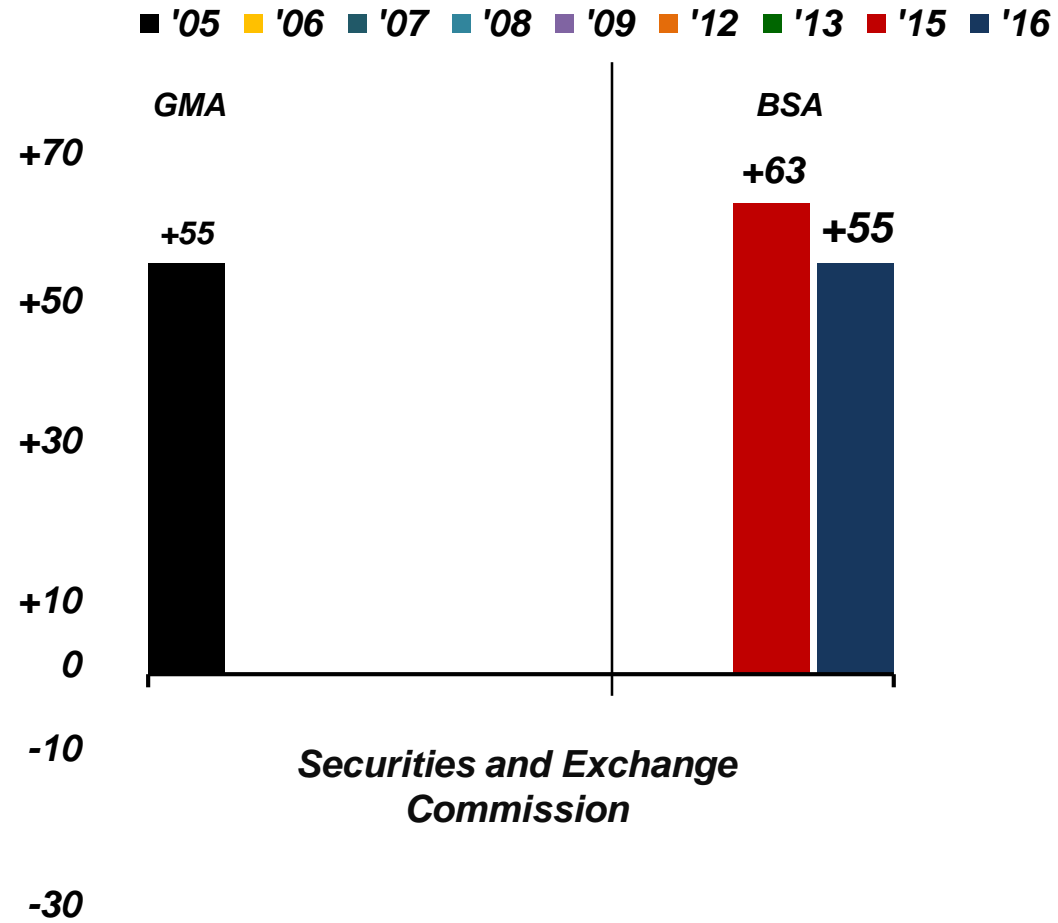
<u>Upgrades</u>			<u>No change</u>			<u>Downgrades</u>		
	<u>2015</u>	<u>2016</u>		<u>2015</u>	<u>2016</u>		<u>2015</u>	<u>2016</u>
DOH	M	G	SEC	VG	VG	DTI	VG	G
COMELEC	N	M	CSC	G	G	Ofc of the President	VG	G
AFP	N	M	DepEd	G	G	SSS	VG	G
DA	P	N	Supreme Court	G	G	COA	G	M
			Ombudsman	G	G	Sandiganbayan	G	M
			DSWD	M	M	DOJ	G	M
			GSIS	M	M	DOF	M	N
			Brgy. gov't	M	M	GCG	M	N
			City/Mun gov't	M	M	PCGG	M	N
			Trial Courts	N	N	DBM	N	P
			DENR	N	N	DOTC	N	P
			Senate	N	N	BIR	N	P
			DILG	N	N	LTO	P	B
			PNP	P	P			
			DPWH	P	P			
			House of Reps	P	P			
			BOC	VB	VB			
				<u>2013</u>	<u>2015</u>			
			DOLE	G	G			

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;

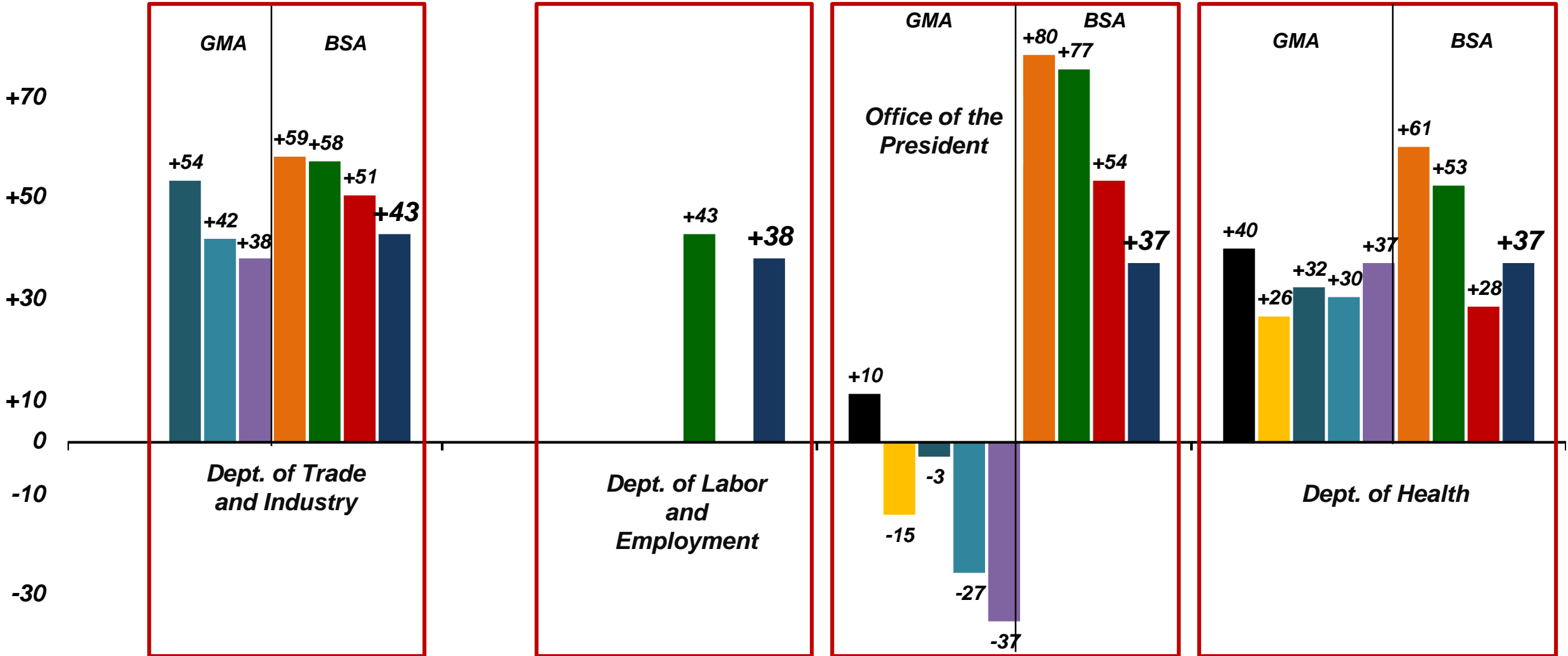
P - Poor: -10 to -29; B - Bad: -30 to -49; VB - Very bad: -50 to -69; EC - Execrable: -70 and below

VERY GOOD NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016



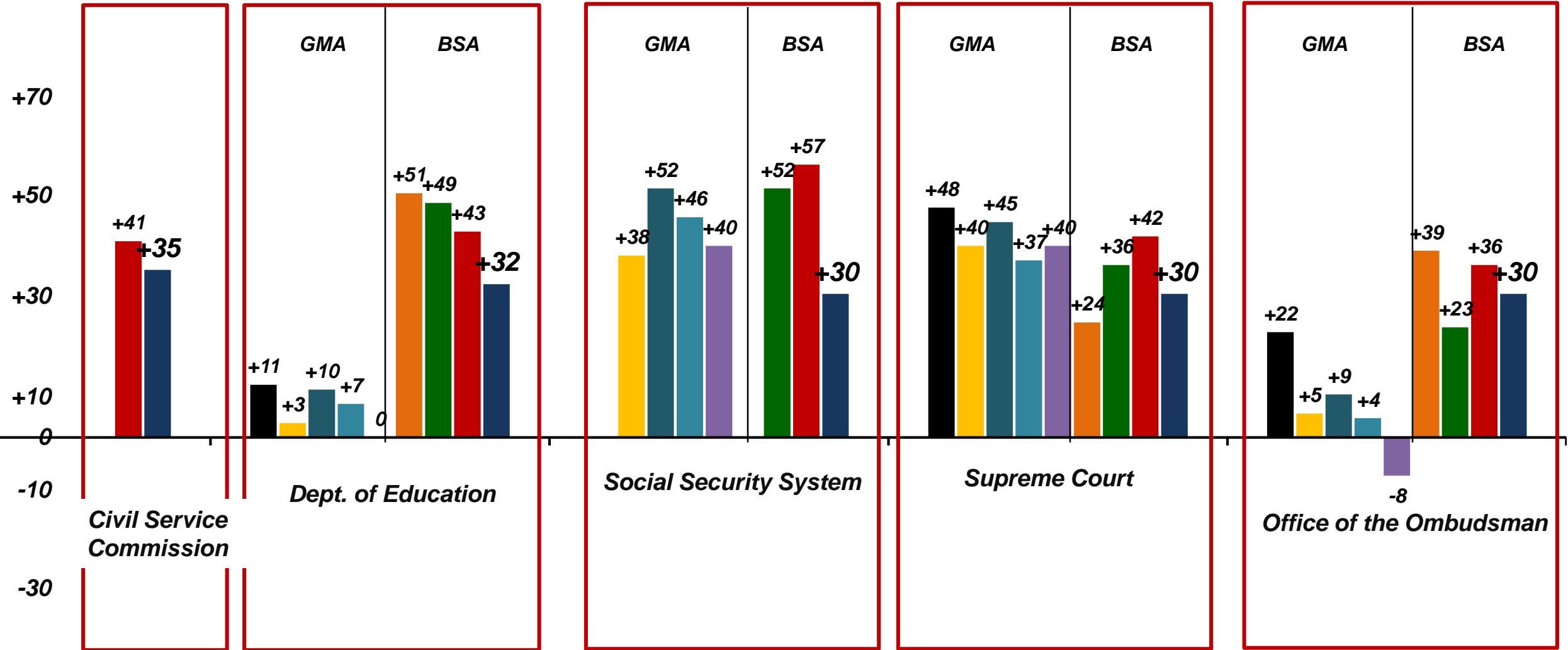
GOOD NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16



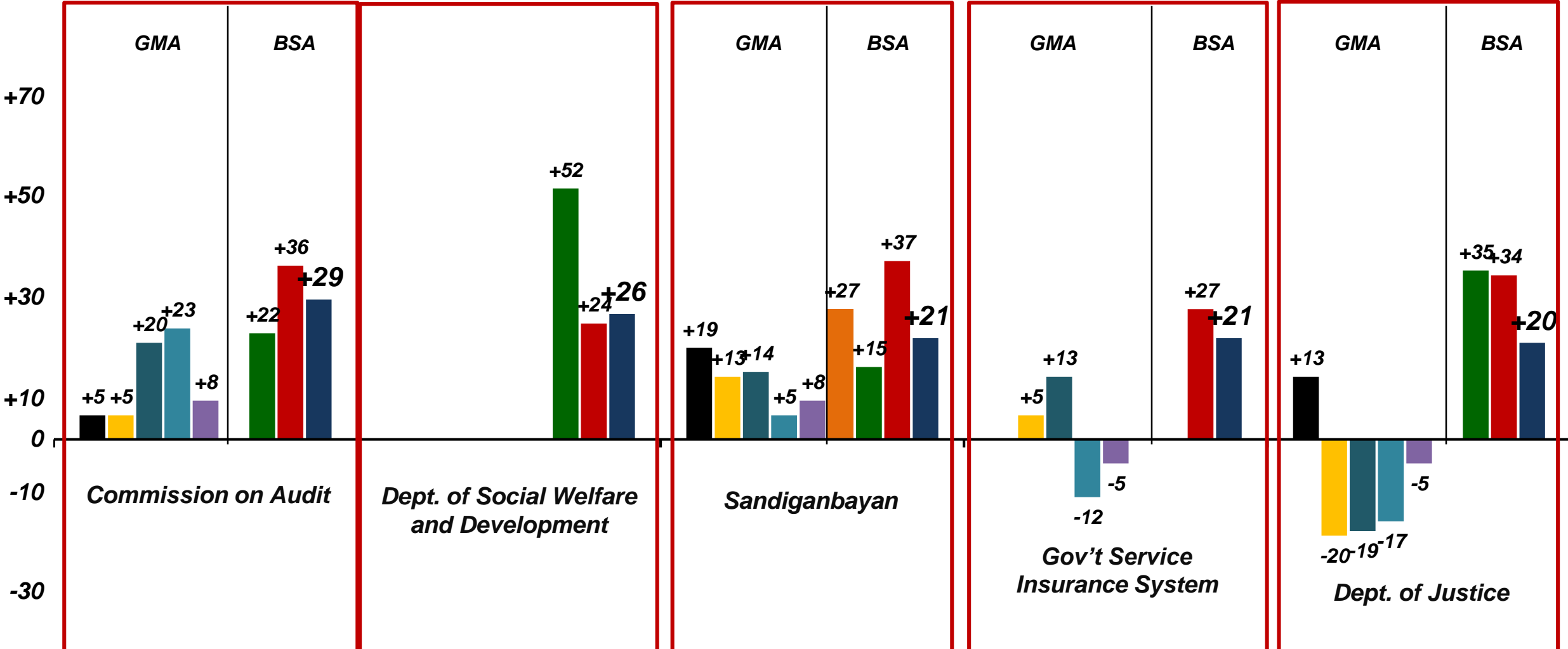
GOOD NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16



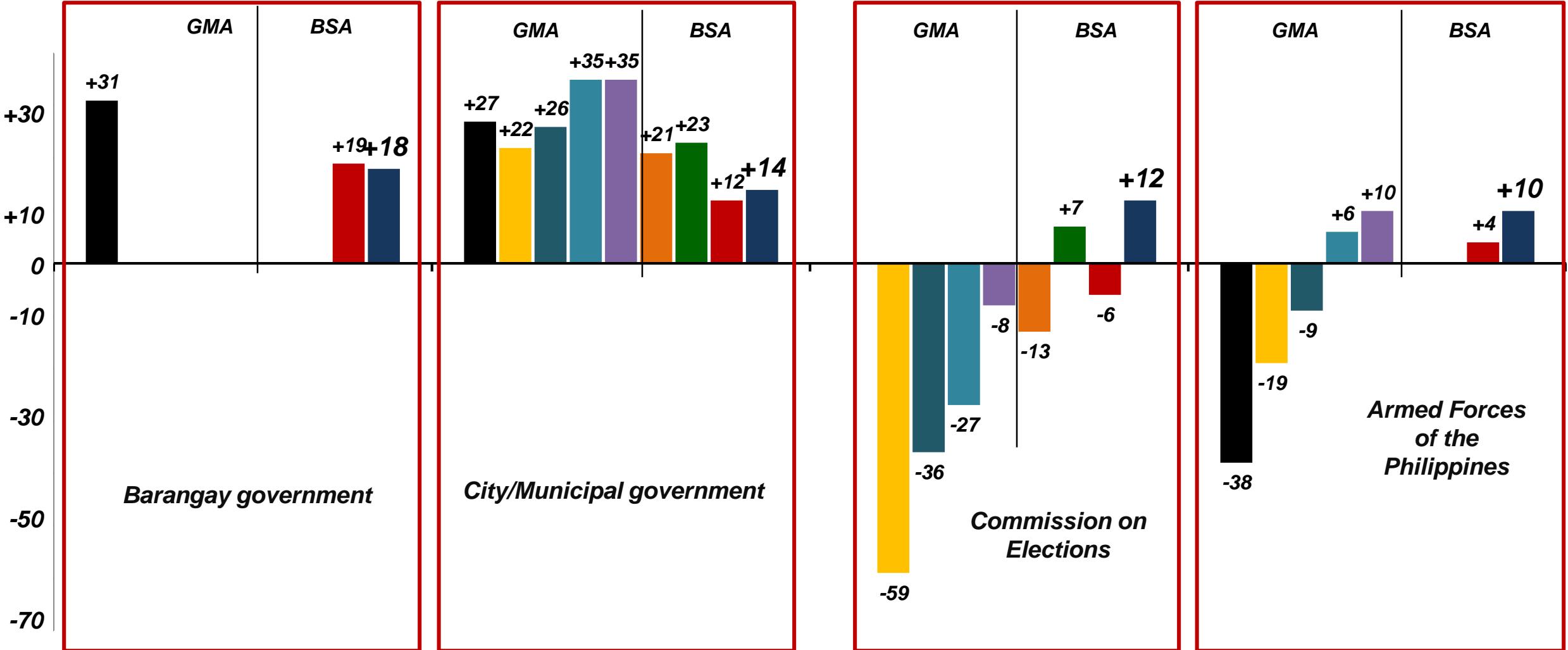
MODERATE NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16

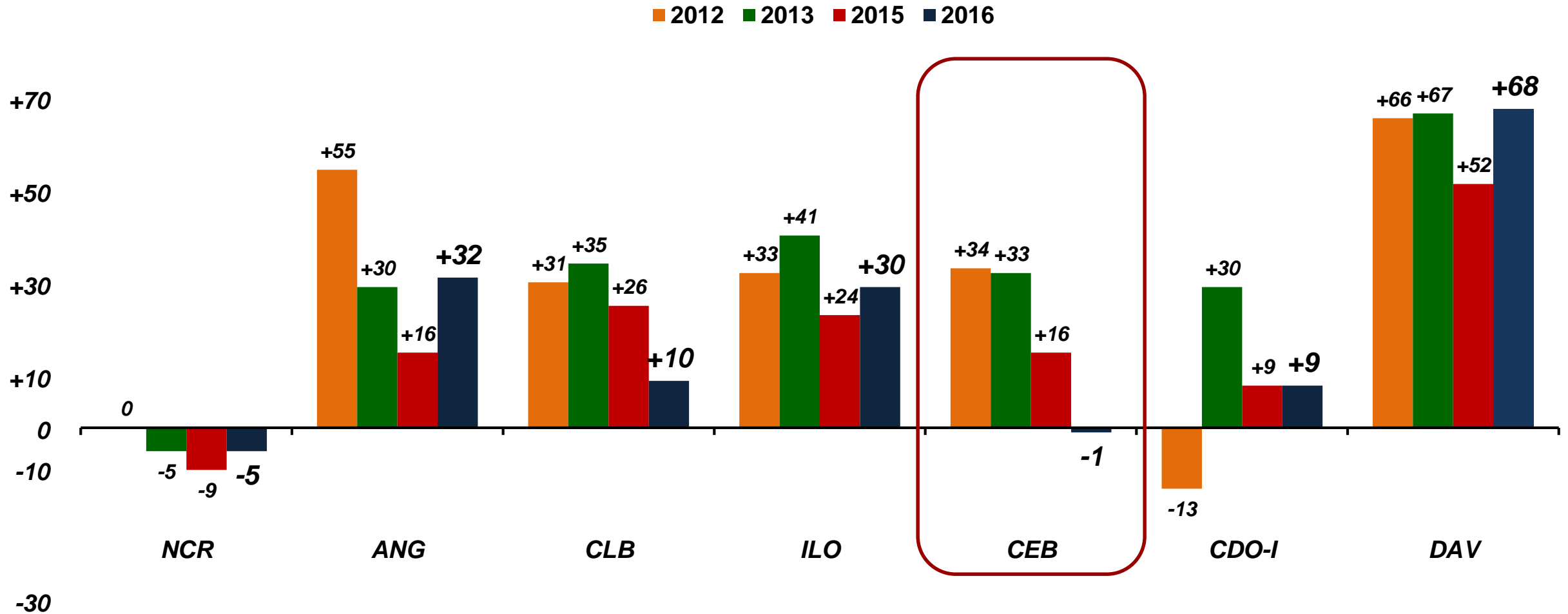


MODERATE NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16

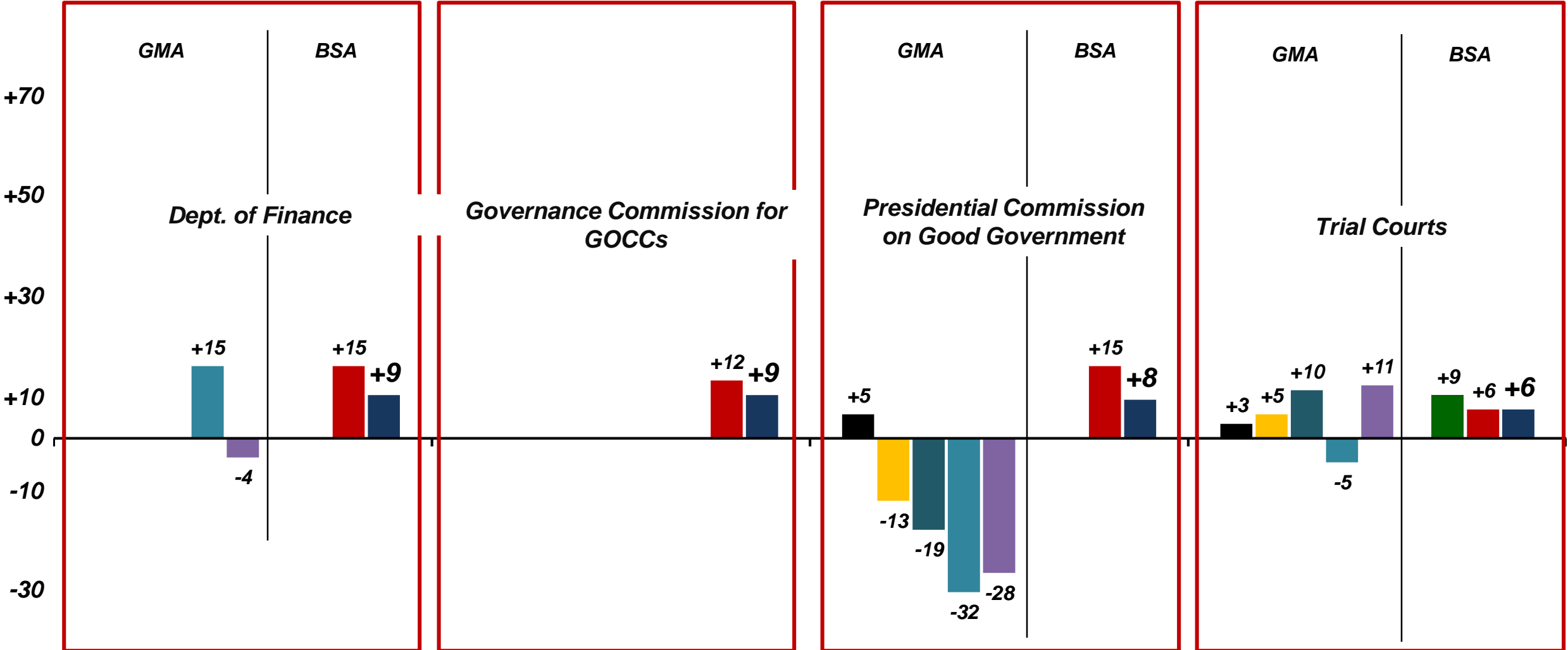


NET SINCERITY RATINGS OF CITY GOVERNMENTS IN FIGHTING CORRUPTION, BY AREA, 2012-2016



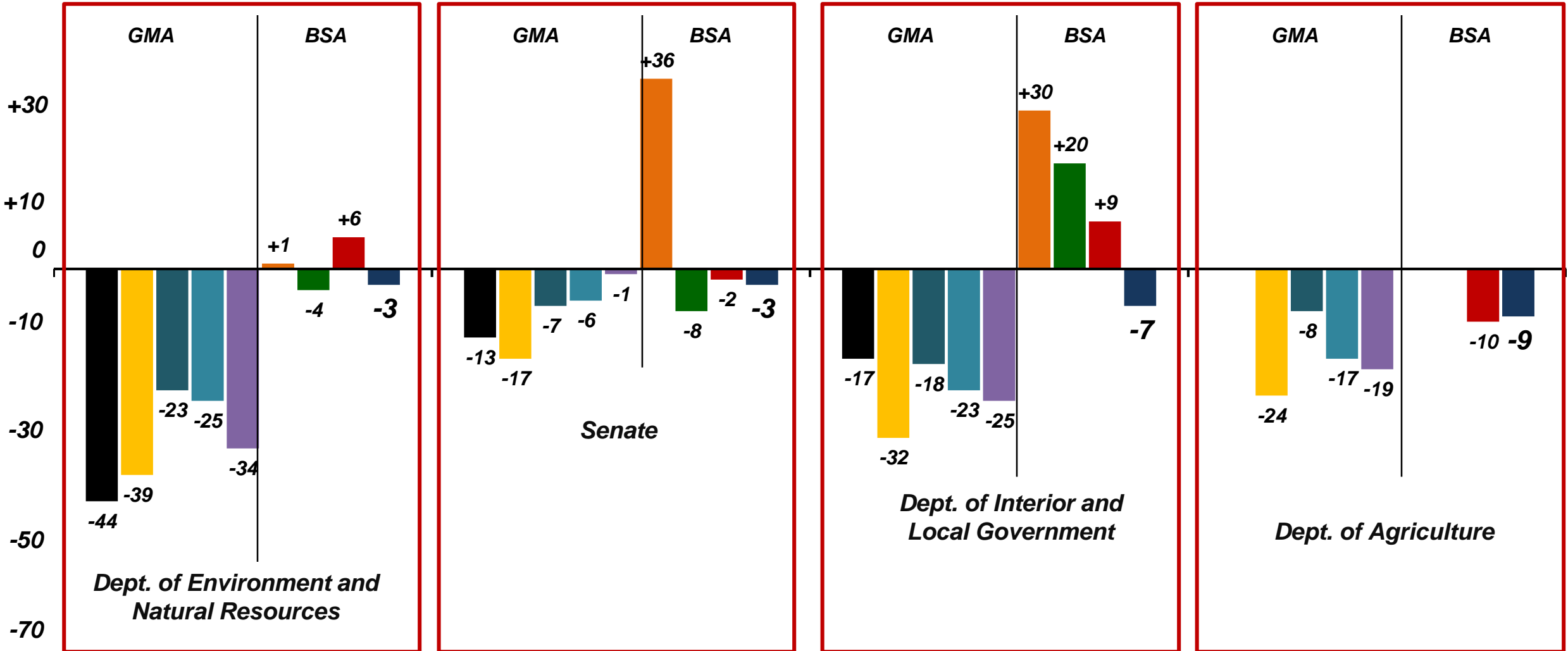
NEUTRAL NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16

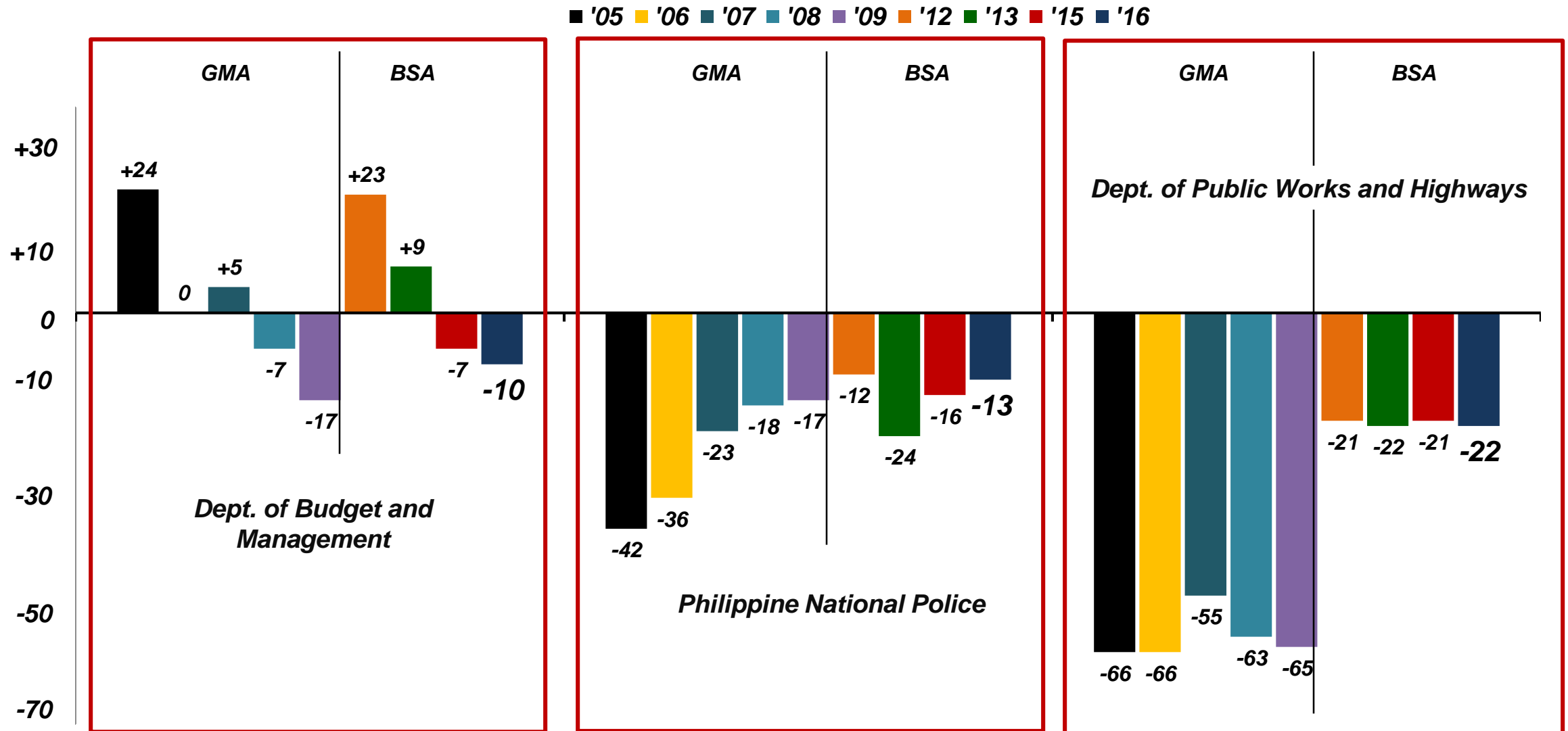


NEUTRAL NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016

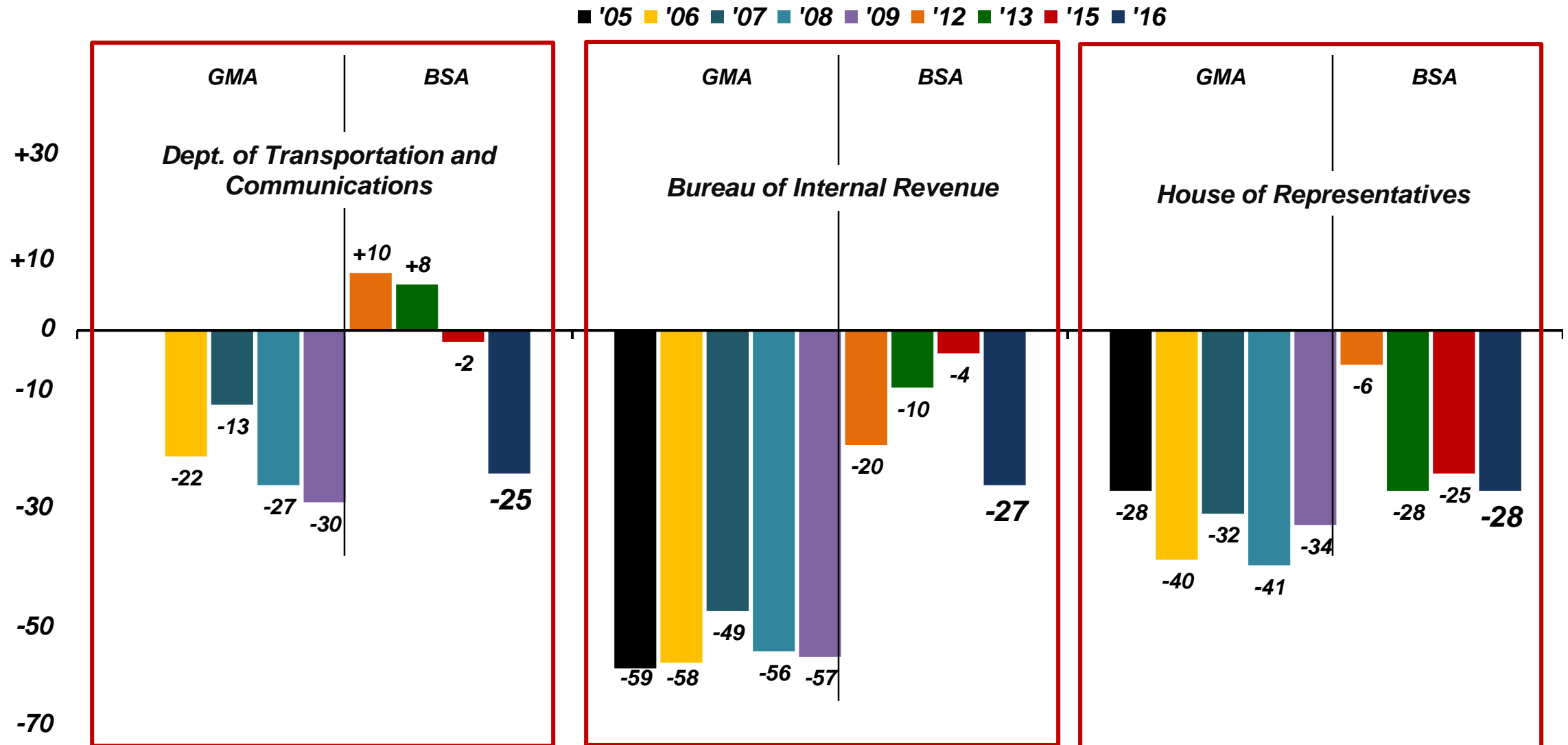
■ '05 ■ '06 ■ '07 ■ '08 ■ '09 ■ '12 ■ '13 ■ '15 ■ '16



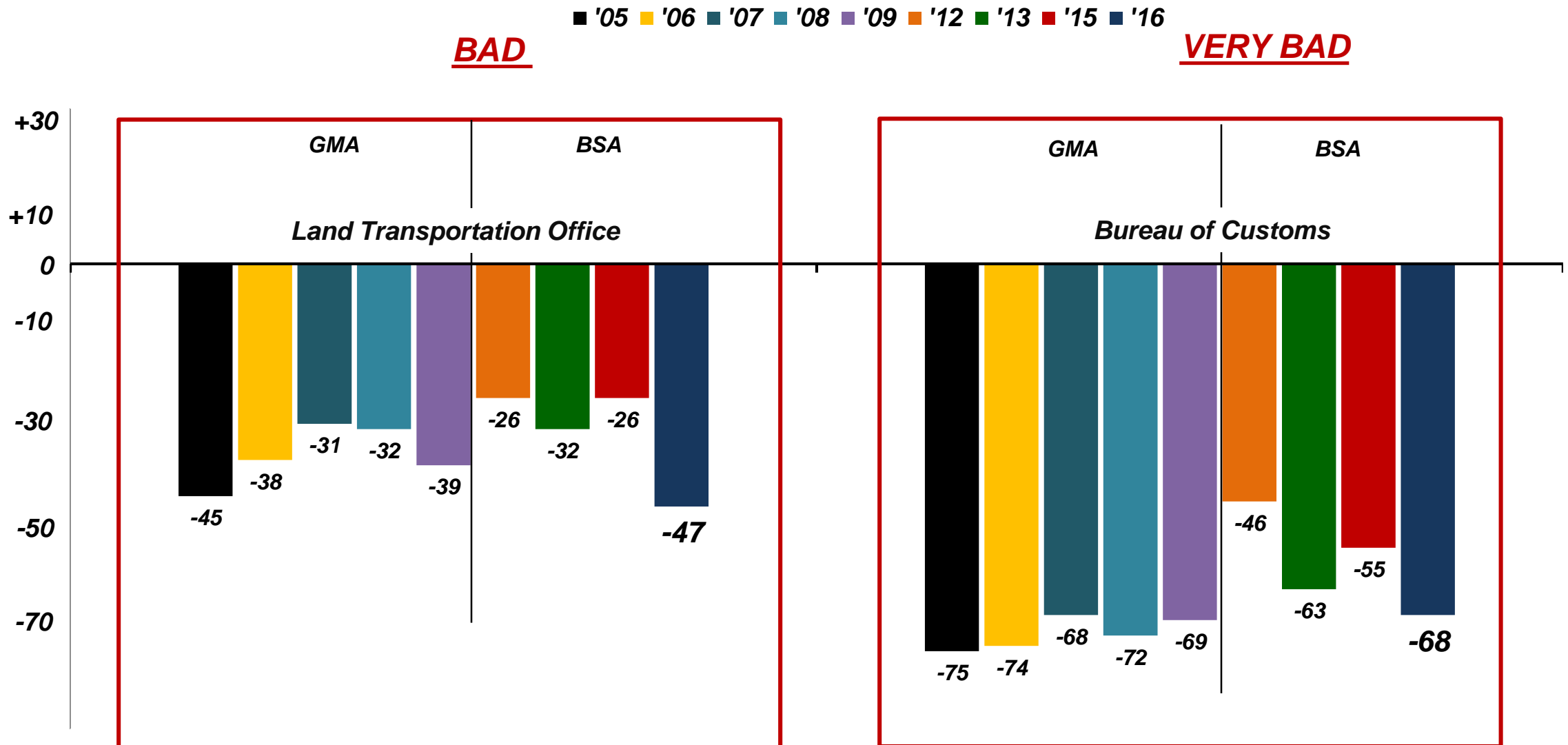
POOR NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016



POOR NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016



BAD AND VERY BAD NET SINCERITY RATINGS IN FIGHTING CORRUPTION, 2005 TO 2016



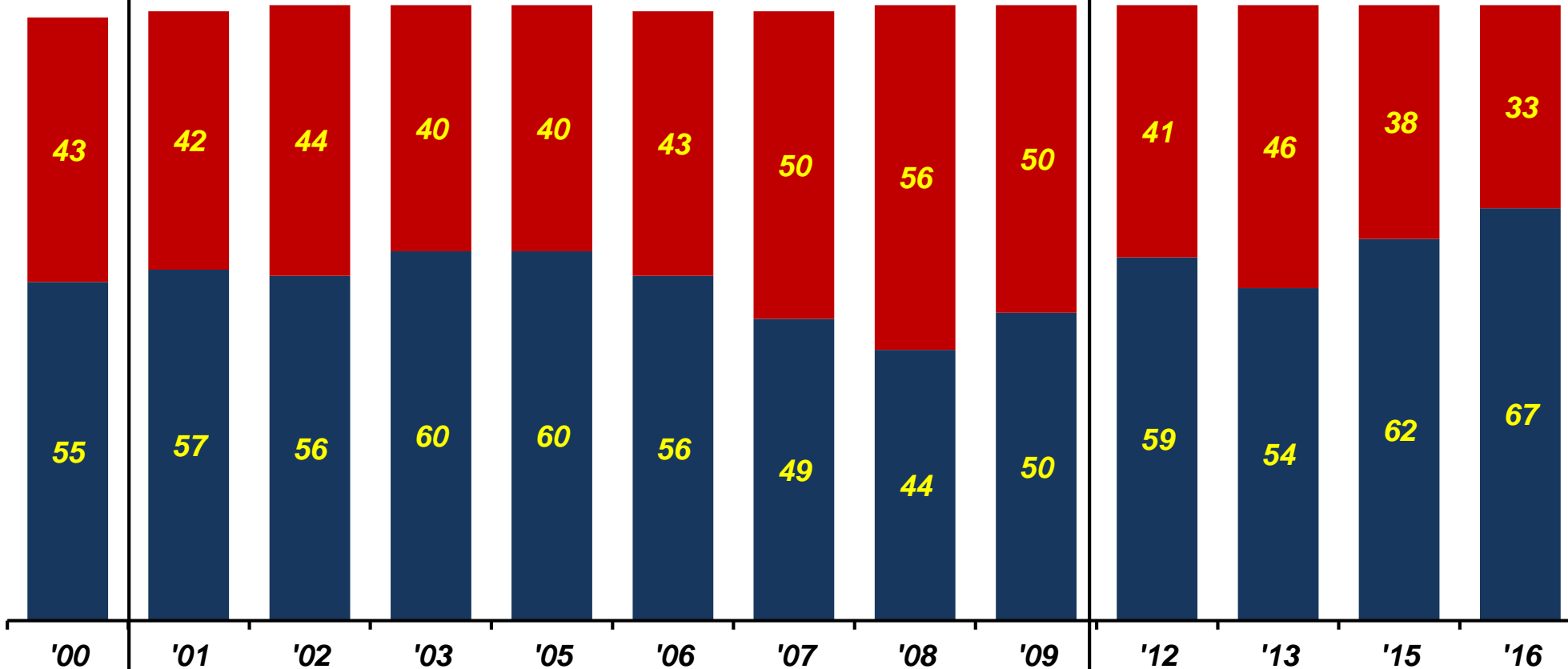
3) GOVERNMENT EFFORTS TO FIGHT CORRUPTION

“THE GOVERNMENT CAN BE RUN WITHOUT CORRUPTION” VERSUS “CORRUPTION IS PART OF THE WAY THE GOV’T WORKS”, 2000 - 2016

ESTRADA

ARROYO

B. AQUINO

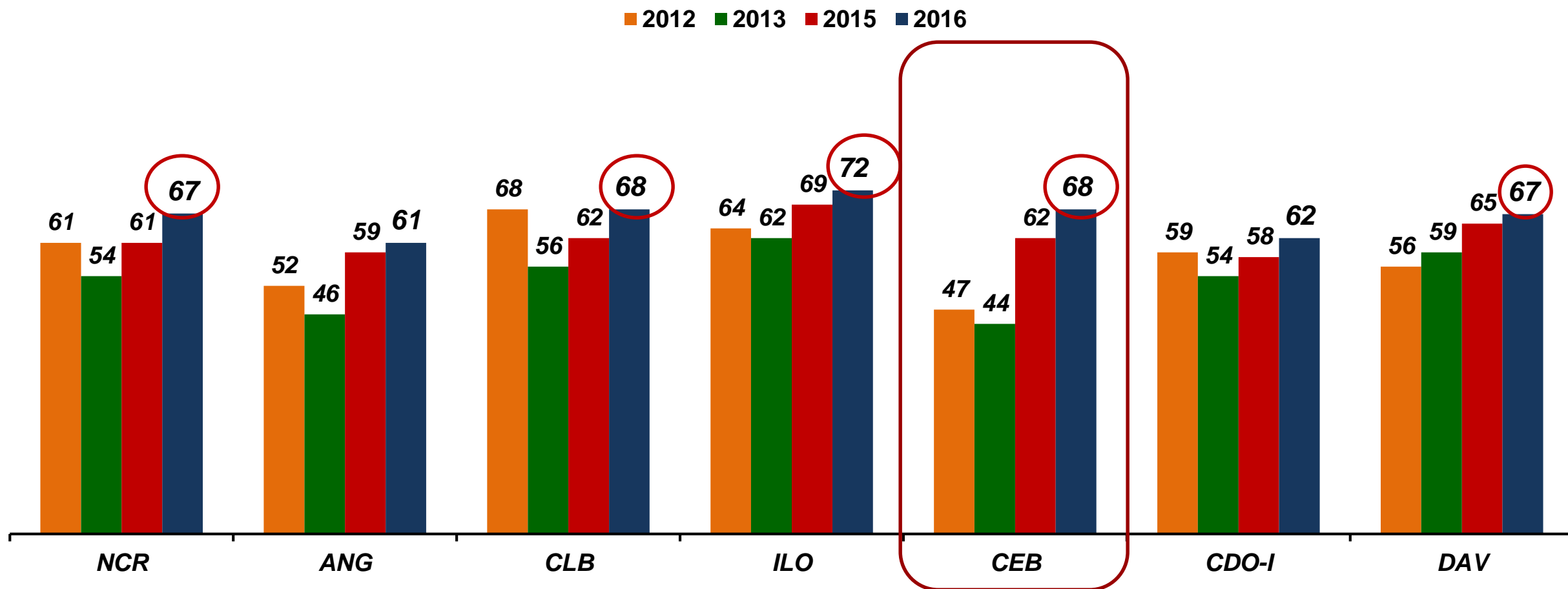


Corruption is part of the way gov't works

The gov't can be run without corruption

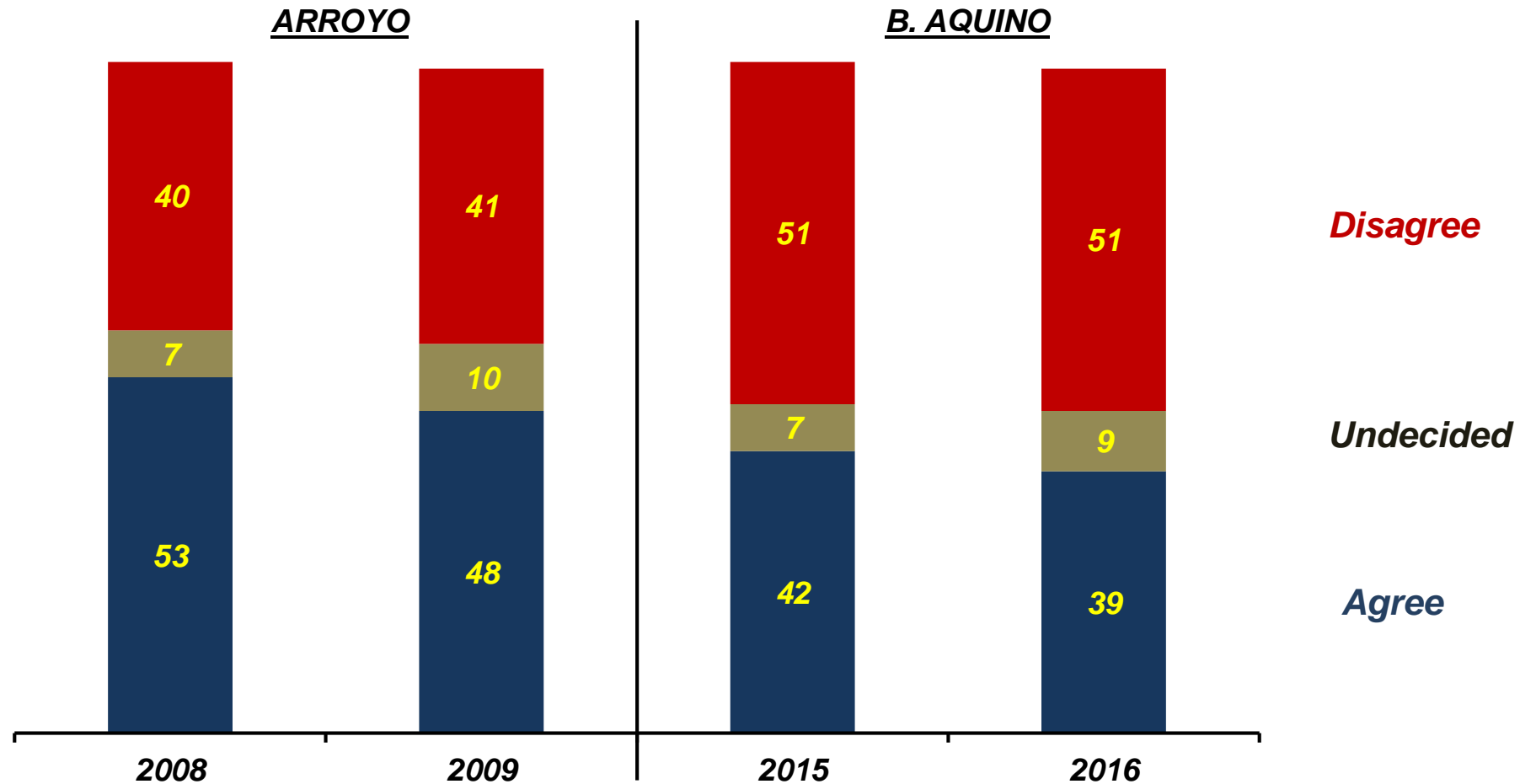
Q4. Which of these two statements is closer to your opinion? [CORRUPTION IS PART OF THE WAY GOVERNMENT WORKS IN THE PHILIPPINES; THE GOVERNMENT CAN BE RUN WITHOUT CORRUPTION]

“THE GOVERNMENT CAN BE RUN WITHOUT CORRUPTION” BY AREA, 2012 - 2016



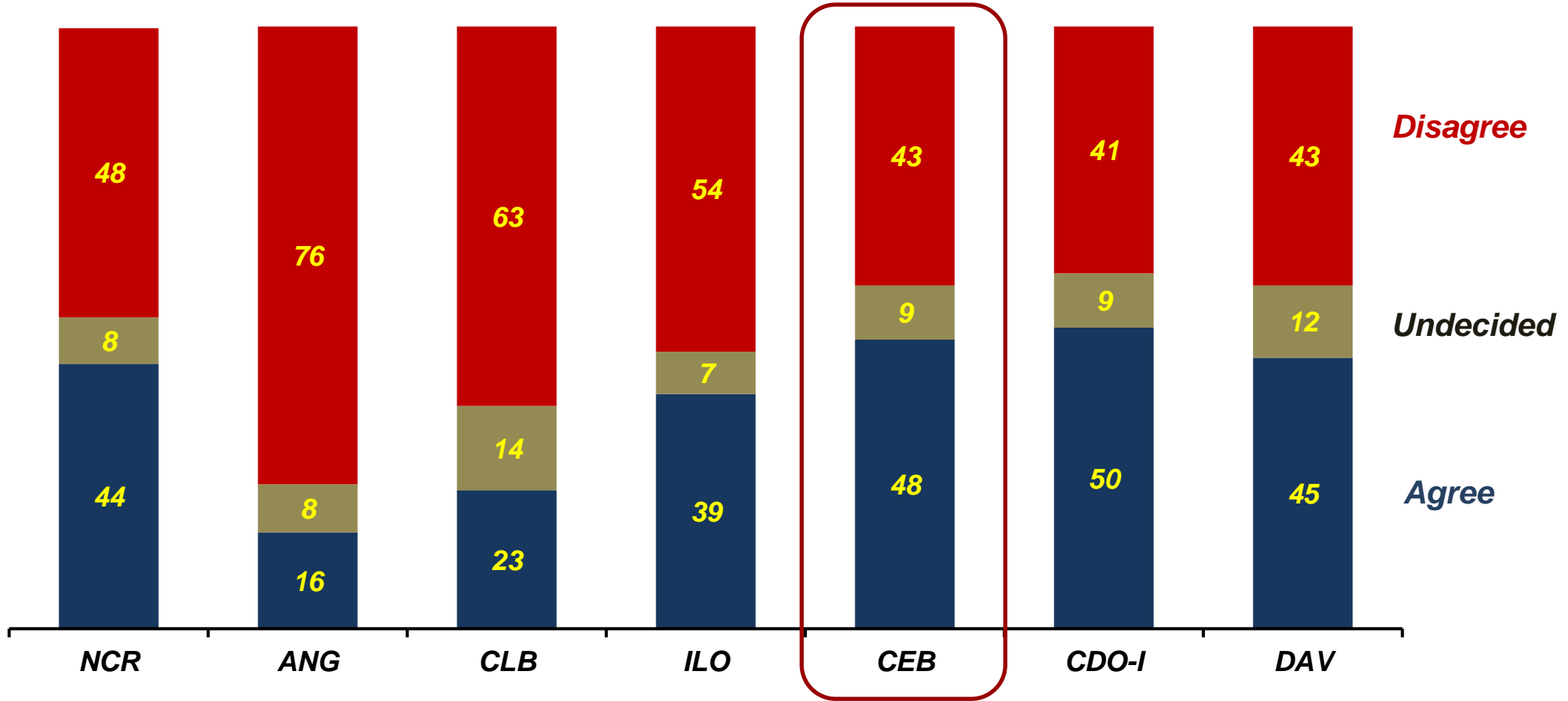
Q4. Which of these two statements is closer to your opinion? [CORRUPTION IS PART OF THE WAY GOVERNMENT WORKS IN THE PHILIPPINES; THE GOVERNMENT CAN BE RUN WITHOUT CORRUPTION]

**“THE PRESENT LAWS TO FIGHT CORRUPTION IN OUR COUNTRY ARE ALREADY ADEQUATE,”
2008 – 2016**



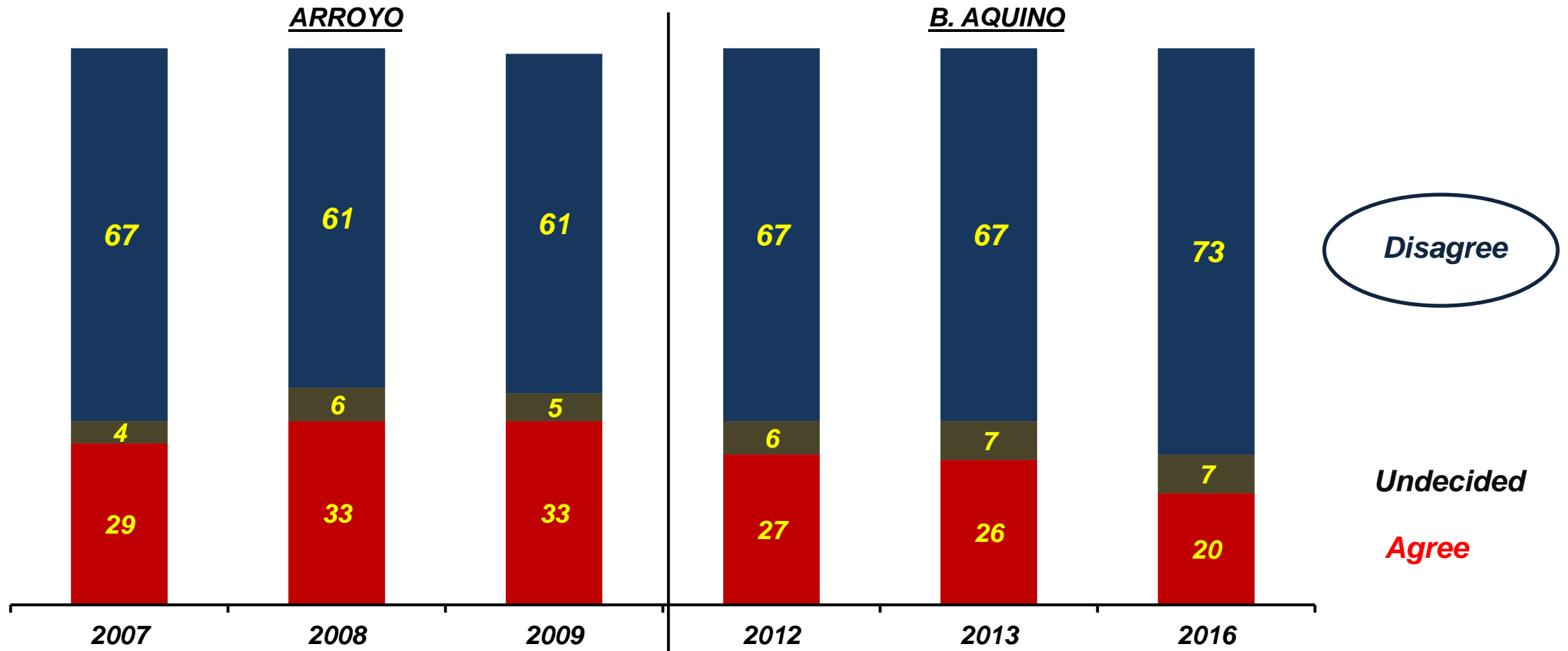
Q9. Do you agree or disagree with this statement: “The present laws to fight corruption in our country are already adequate”?

“THE PRESENT LAWS TO FIGHT CORRUPTION IN OUR COUNTRY ARE ALREADY ADEQUATE,” BY AREA, 2016



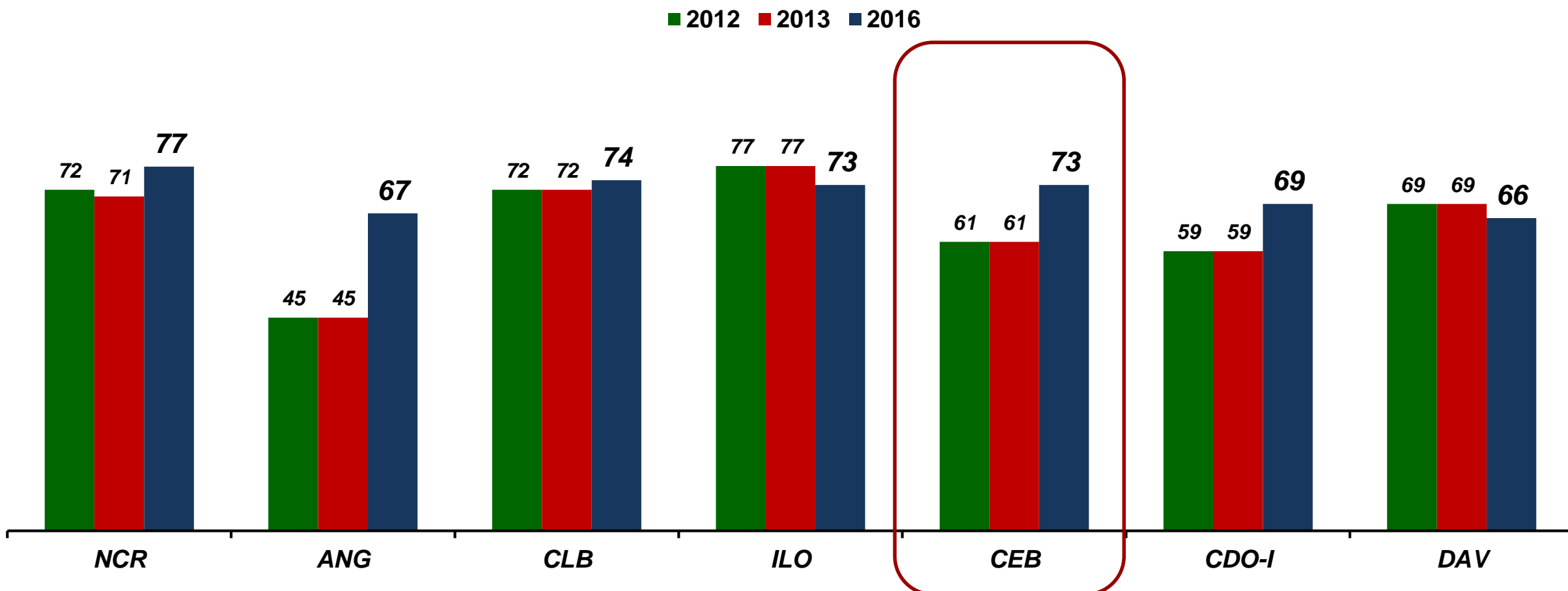
Q9. Do you agree or disagree with this statement: “The present laws to fight corruption in our country are already adequate”?

PERSONAL EFFICACY : “A PERSON LIKE ME CANNOT DO ANYTHING TO REDUCE CORRUPTION IN THE GOVERNMENT,” 2007 TO 2016



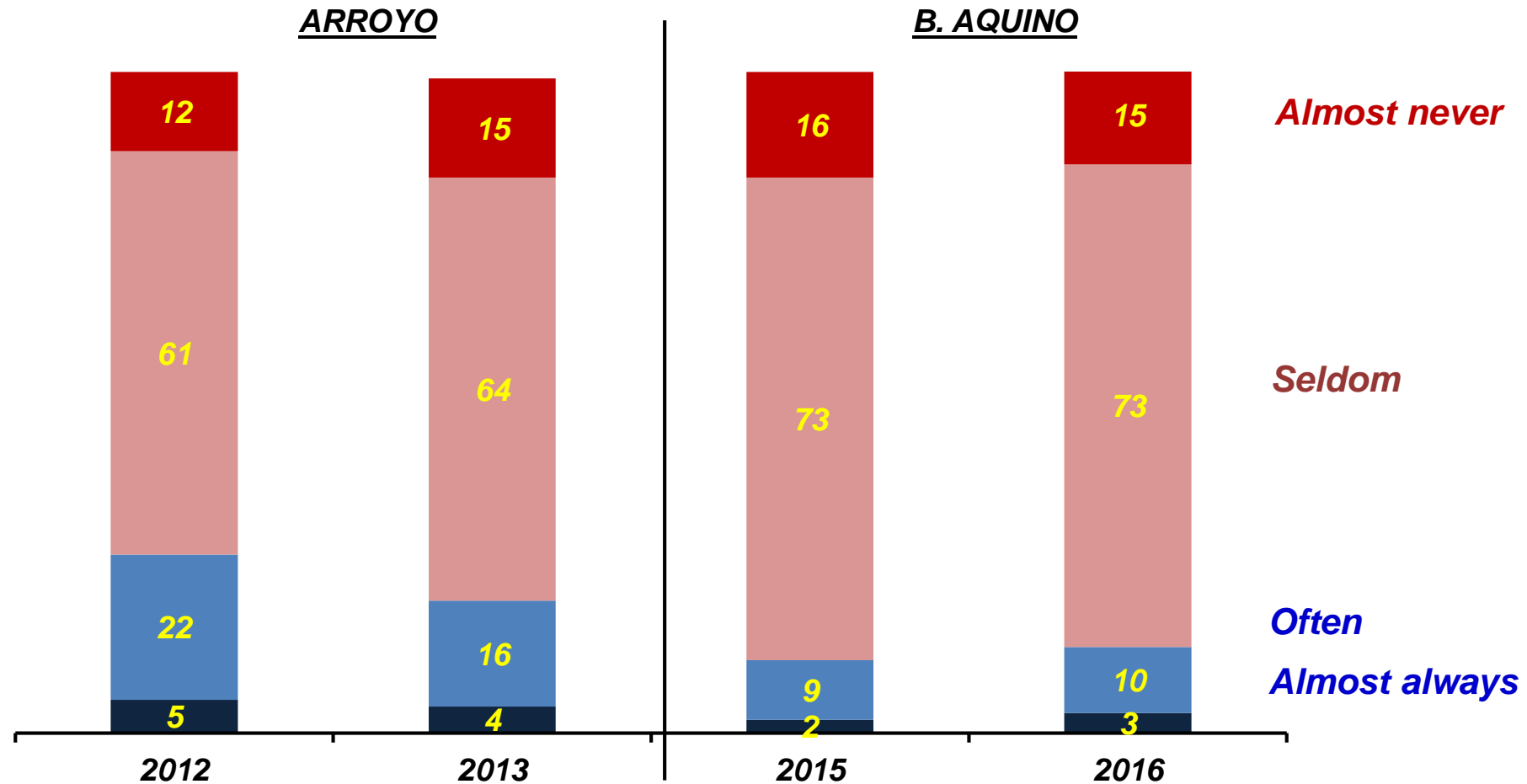
Q12. Do you agree or disagree with this statement: “A person like me cannot do anything to reduce corruption in the government”?

% DISAGREE: "A PERSON LIKE ME CANNOT DO ANYTHING TO REDUCE CORRUPTION IN THE GOVERNMENT" BY AREA, 2013 - 2016



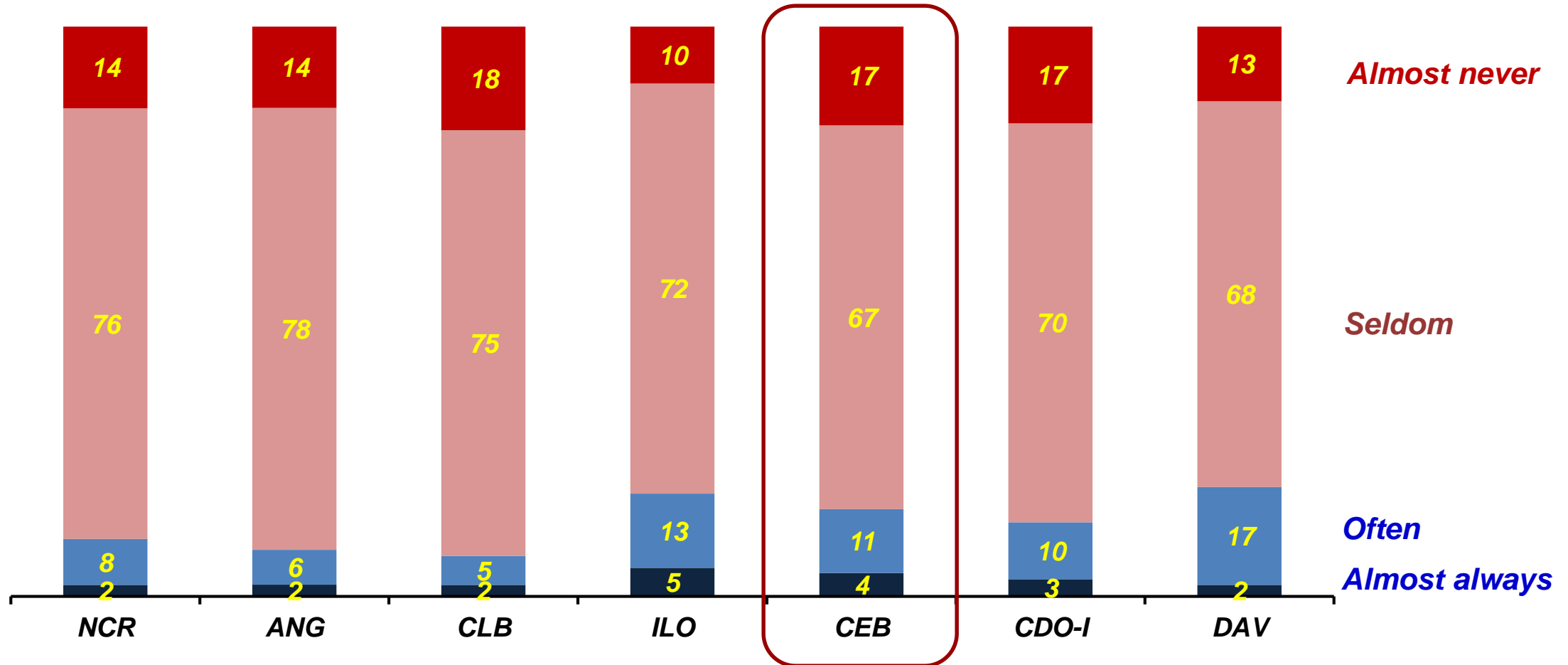
Q12. Do you agree or disagree with this statement: "A person like me cannot do anything to reduce corruption in the government"?

OPINION ON HOW OFTEN THE GOV'T PUNISHES CORRUPT GOV'T OFFICIALS, 2012 – 2016



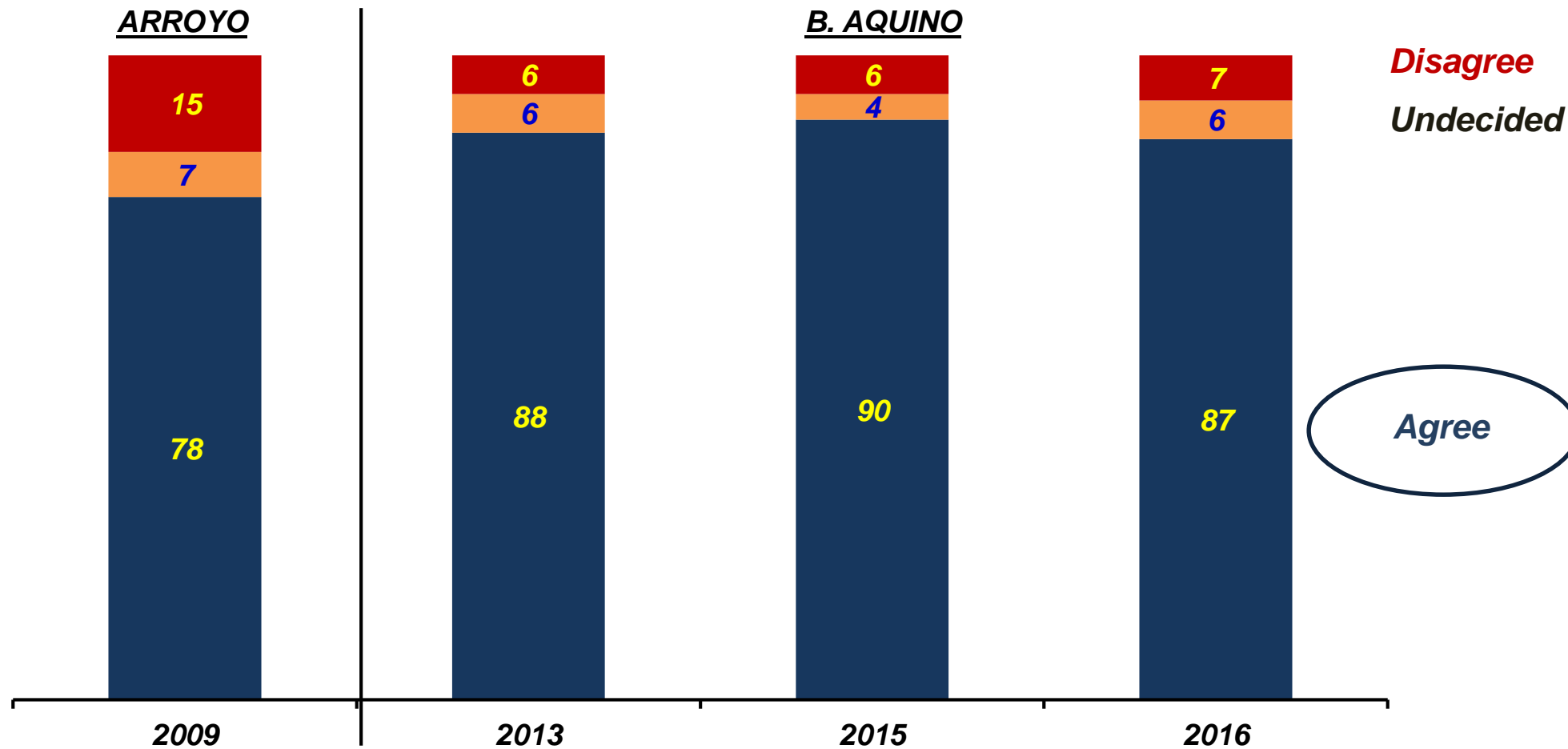
Q56. In your opinion, how often does the government punish corrupt government officials?

OPINION ON HOW OFTEN THE GOV'T PUNISHES CORRUPT GOV'T OFFICIALS, BY AREA, 2016



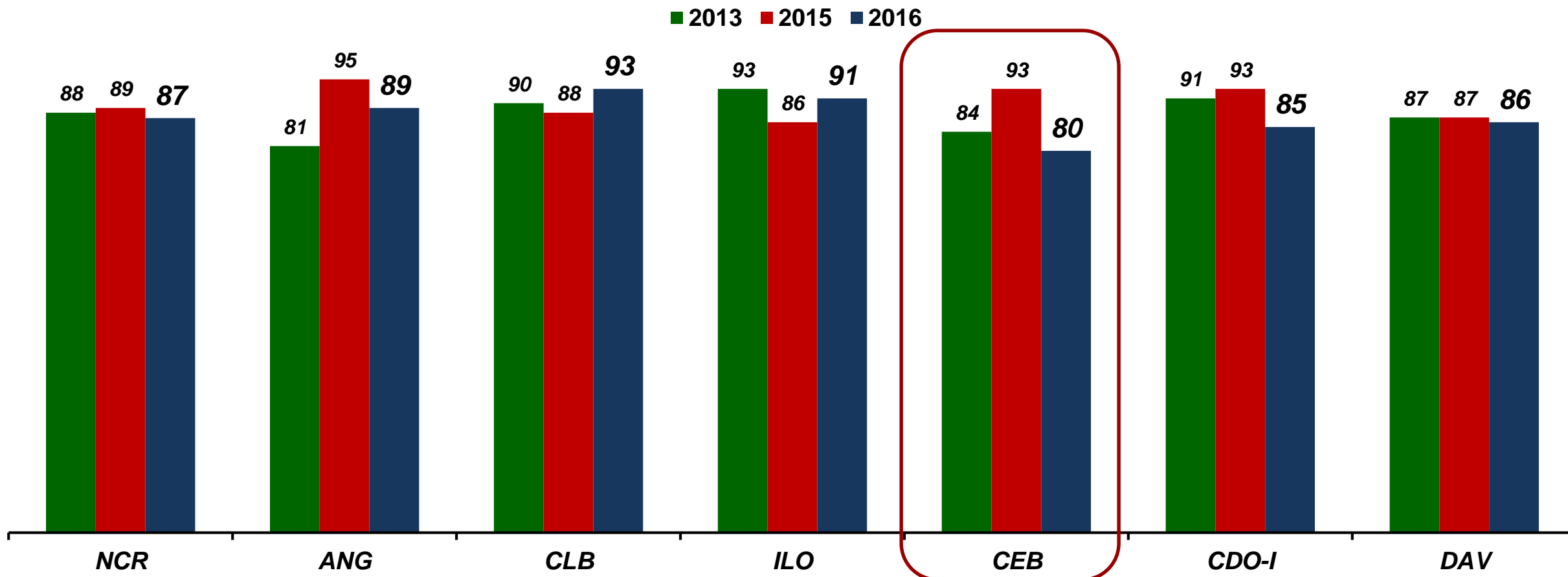
Q56. In your opinion, how often does the government punish corrupt government officials?

“CORRUPTION WILL BE REDUCED BY THE PASSAGE OF A STRONG LAW ON THE RIGHT OF THE PEOPLE TO INFORMATION FROM THE GOV’T,” 2009 – 2016



Q87. 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?

% AGREE: "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, 2013 TO 2016

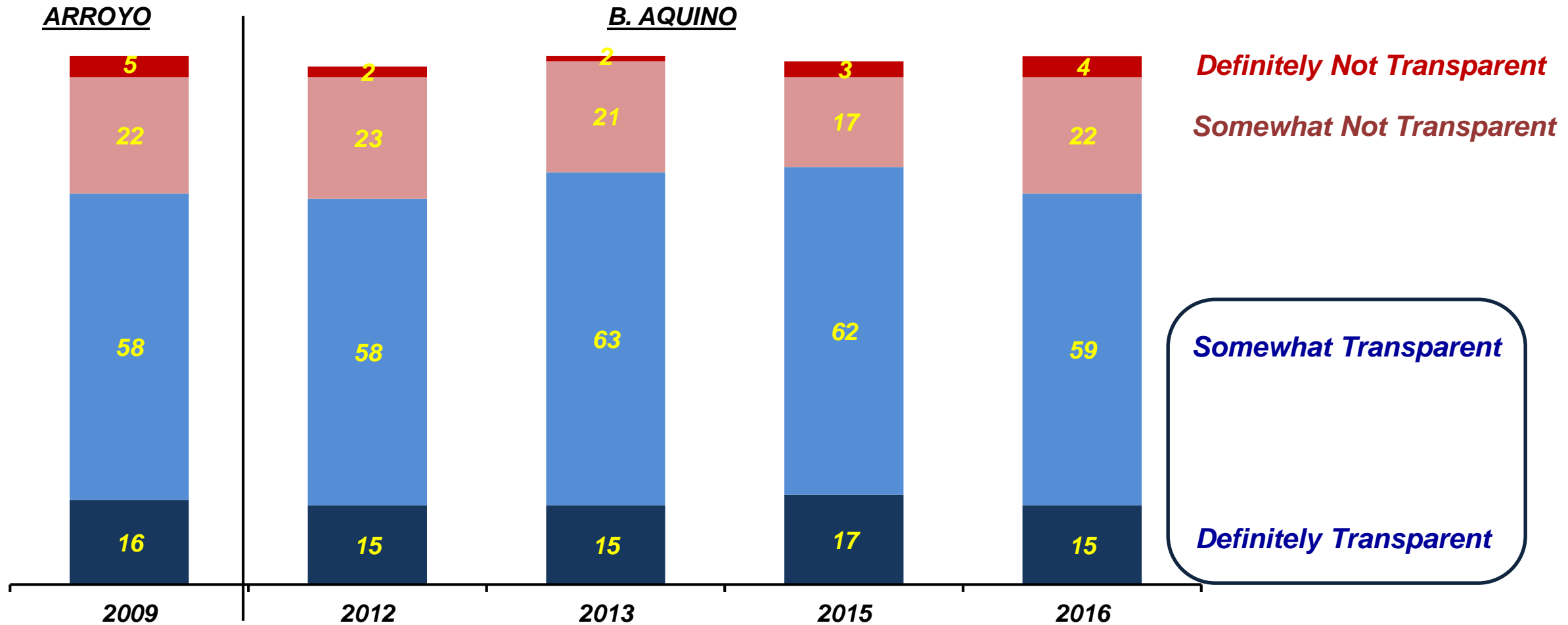


*NET Agreement computed as % Agree minus % Disagree.

Q87. 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?

4) *TRANSACTIONS WITH GOVERNMENT*

TRANSPARENCY OF TRANSACTION PROCEDURES OF THE CITY/MUNICIPAL GOVERNMENT OFFICES, 2009 – 2016



Definitely Not Transparent

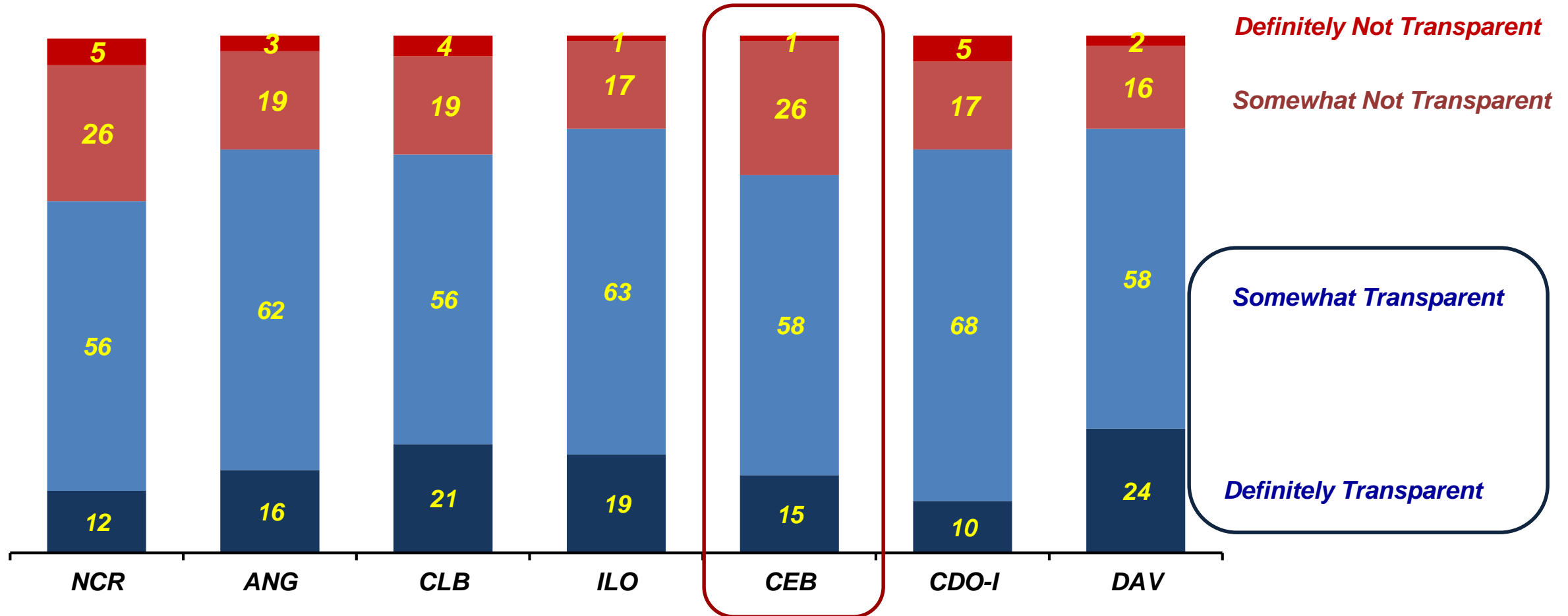
Somewhat Not Transparent

Somewhat Transparent

Definitely Transparent

Q73. OVERALL, how transparent or understandable are the procedures or system of transactions of the offices of your city/municipal government that you have had transactions with? Would you say it is...

TRANSPARENCY OF TRANSACTION PROCEDURES OF THE CITY/MUNICIPAL GOVERNMENT OFFICES, BY AREA, 2016



Definitely Not Transparent

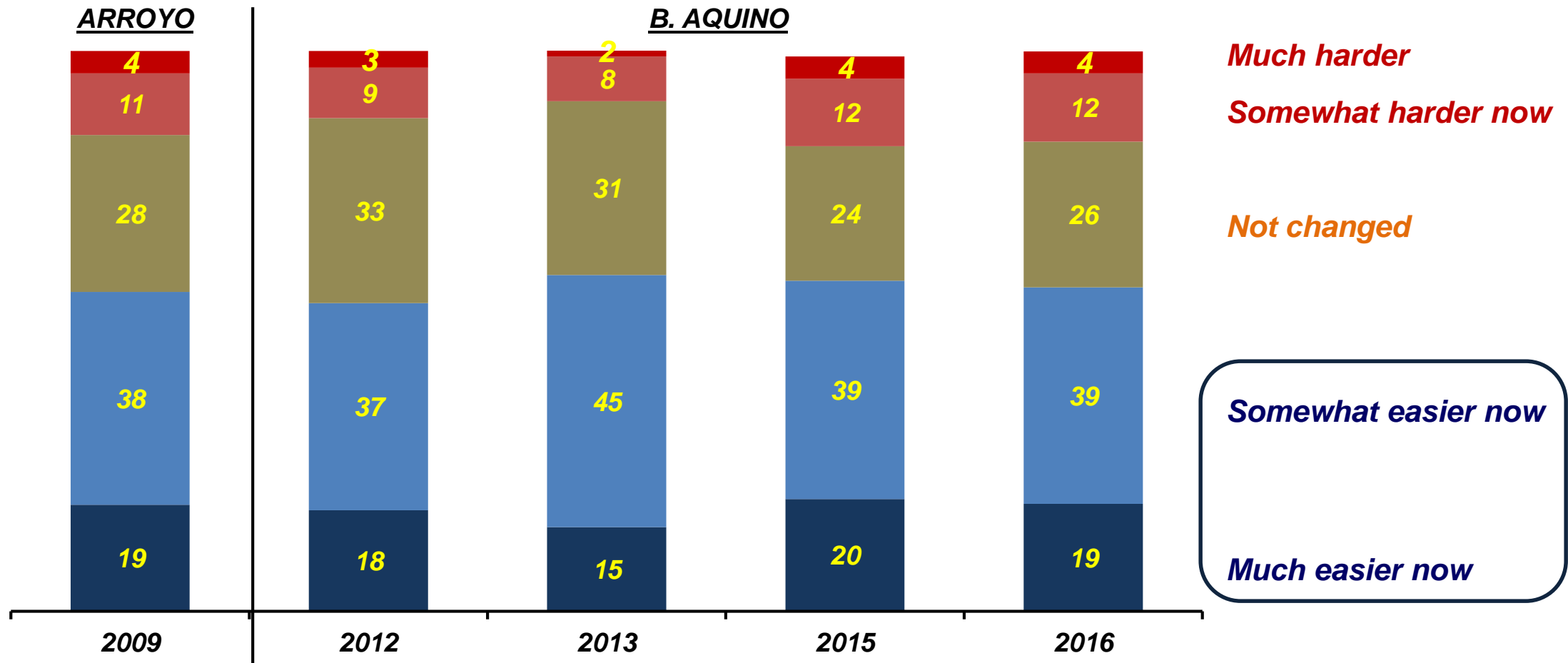
Somewhat Not Transparent

Somewhat Transparent

Definitely Transparent

Q73. OVERALL, how transparent or understandable are the procedures or system of transactions of the offices of your city/municipal government that you have had transactions with? Would you say it is...

WHETHER THE PROCESS OF BUSINESS PERMITS/LICENSES RENEWALS IS EASIER OR HARDER NOW THAN 3 YEARS AGO, 2009 – 2016



Much easier now

Somewhat easier now

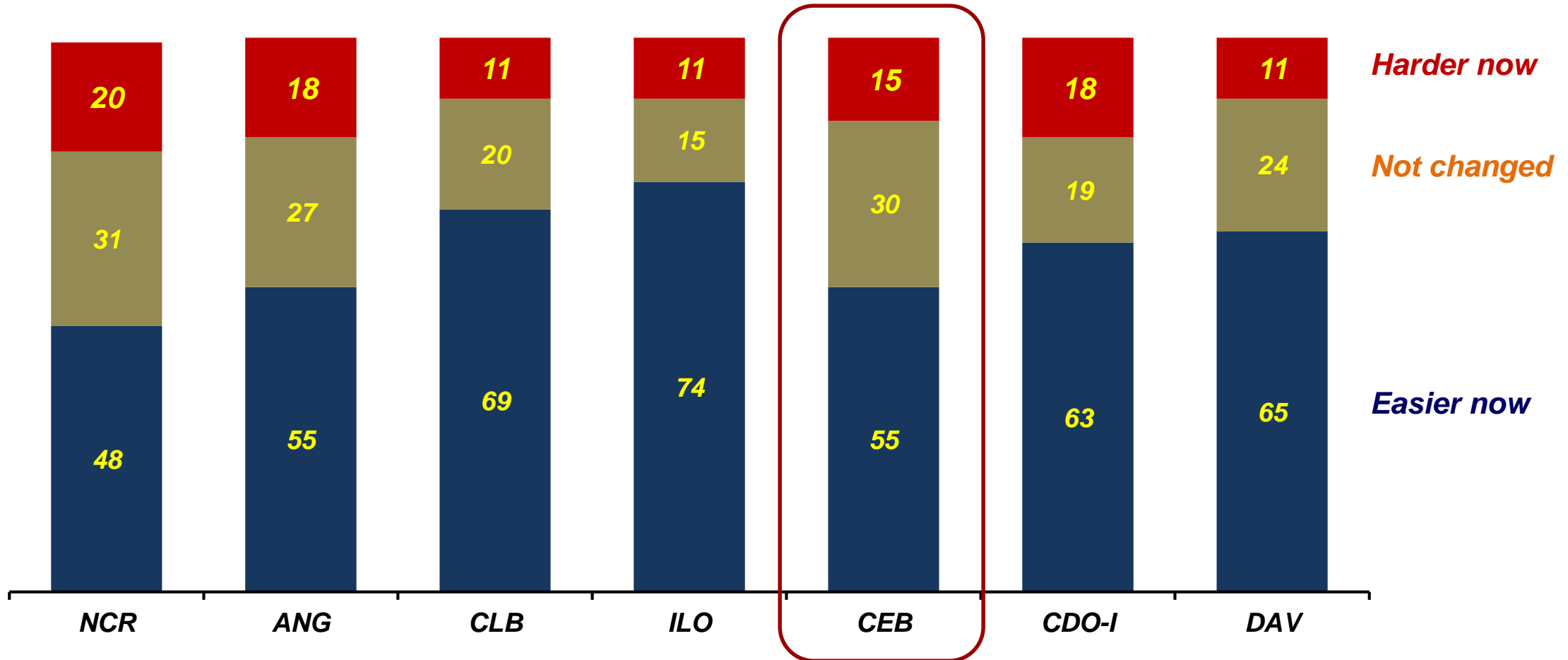
Not changed

Somewhat harder now

Much harder

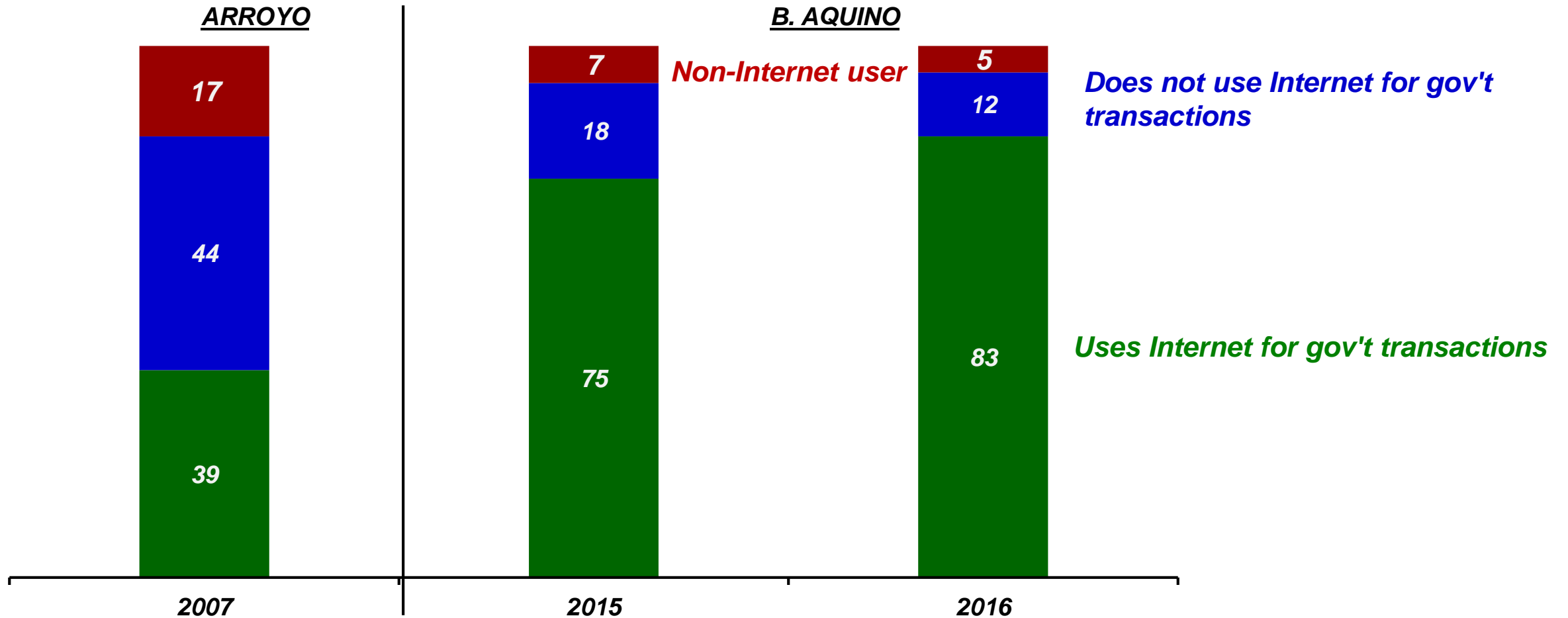
Q75. Compared to three years ago, has the process of annual renewal of the company's business permits or licenses BECOME MUCH EASIER, BECOME SOMEWHAT EASIER, NOT CHANGED, BECOME SOMEWHAT HARDER, or BECOME MUCH HARDER?

ENTERPRISES WHO SAY THE PROCESS OF BUSINESS PERMITS/LICENSES RENEWALS IS EASIER OR HARDER NOW THAN 3 YEARS AGO, BY AREA, 2016



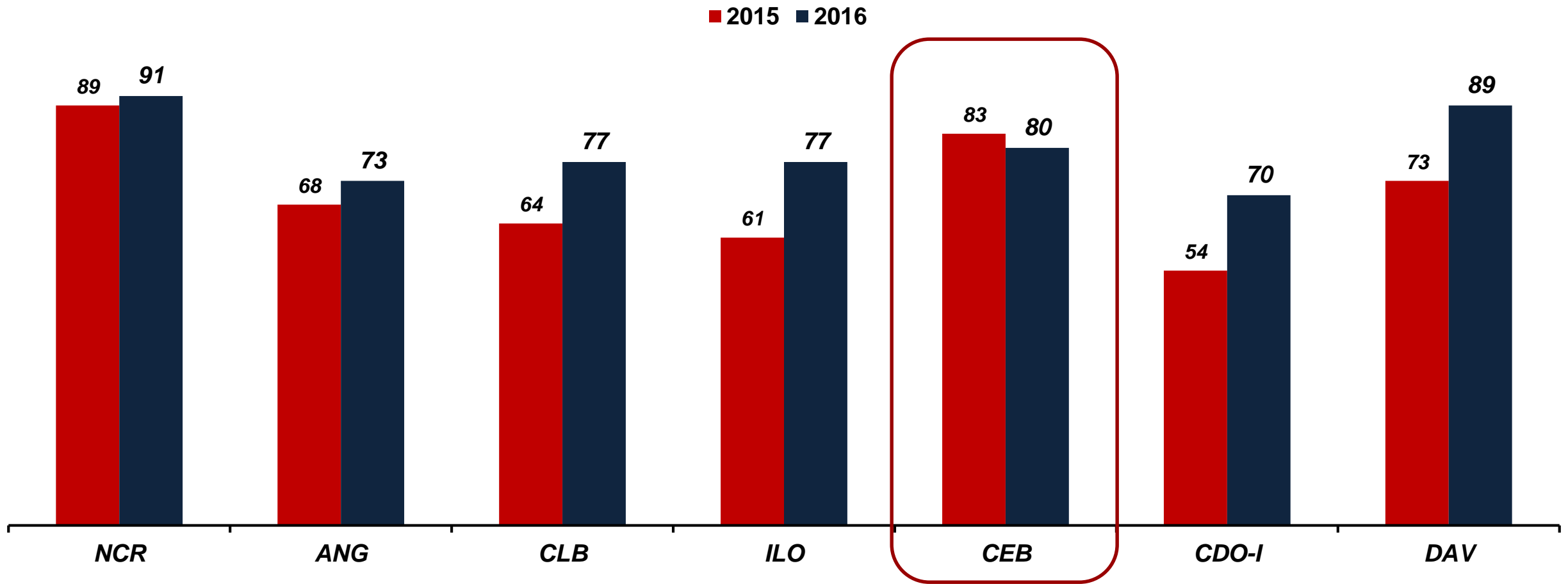
Q75. Compared to three years ago, has the process of annual renewal of the company's business permits or licenses **BECOME MUCH EASIER**, **BECOME SOMEWHAT EASIER**, **NOT CHANGED**, **BECOME SOMEWHAT HARDER**, or **BECOME MUCH HARDER**?

USE OF THE INTERNET TO TRANSACT WITH GOVERNMENT, 2007 TO 2016



Q122. Does your company use the Internet for transactions with government? IF YES: What kind of transactions are these? (ENCIRCLE ALL THAT APPLY)

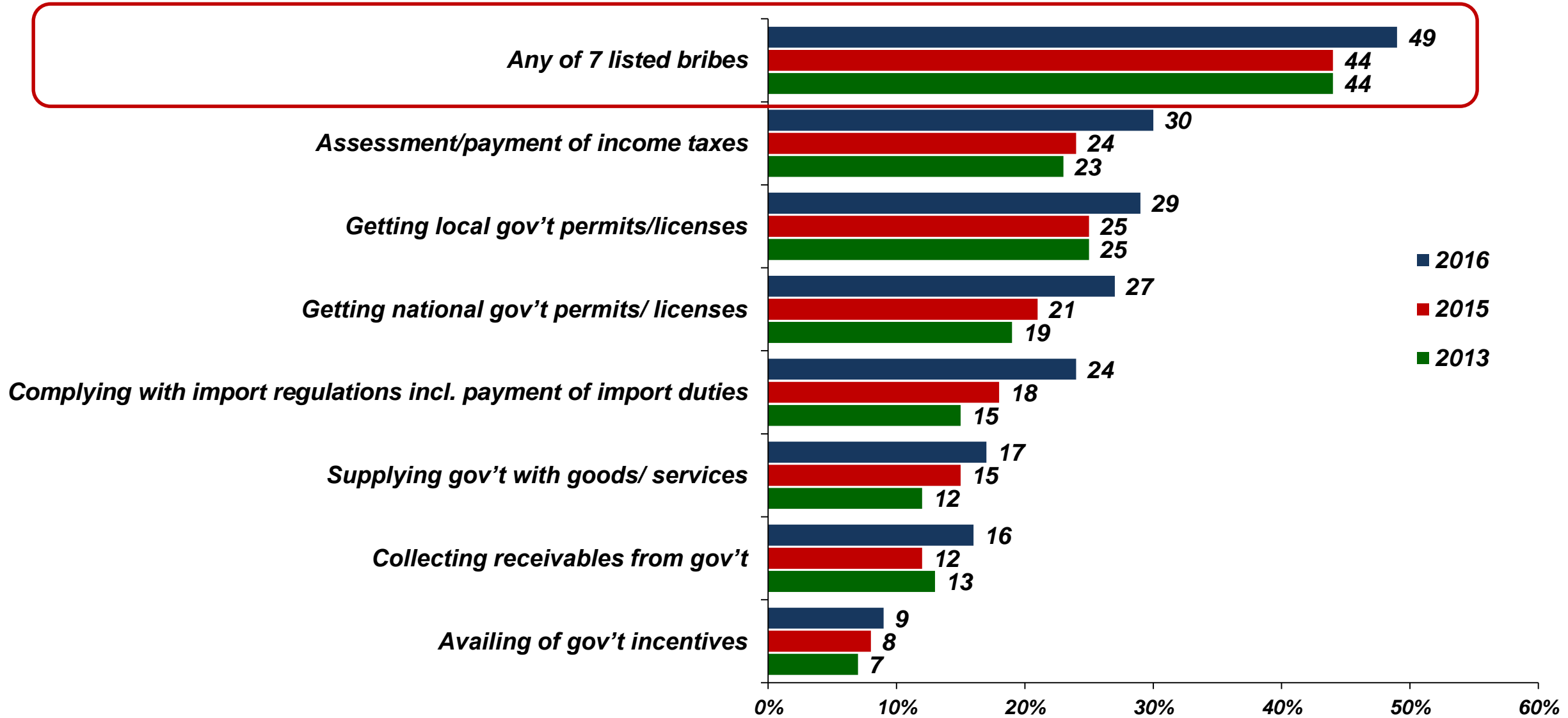
PERCENTAGES OF THOSE WHO USE OF THE INTERNET TO TRANSACT WITH GOVERNMENT, BY AREA, 2015 – 2016



Q122. Does your company use the Internet for transactions with government? IF YES: What kind of transactions are these? (ENCIRCLE ALL THAT APPLY)

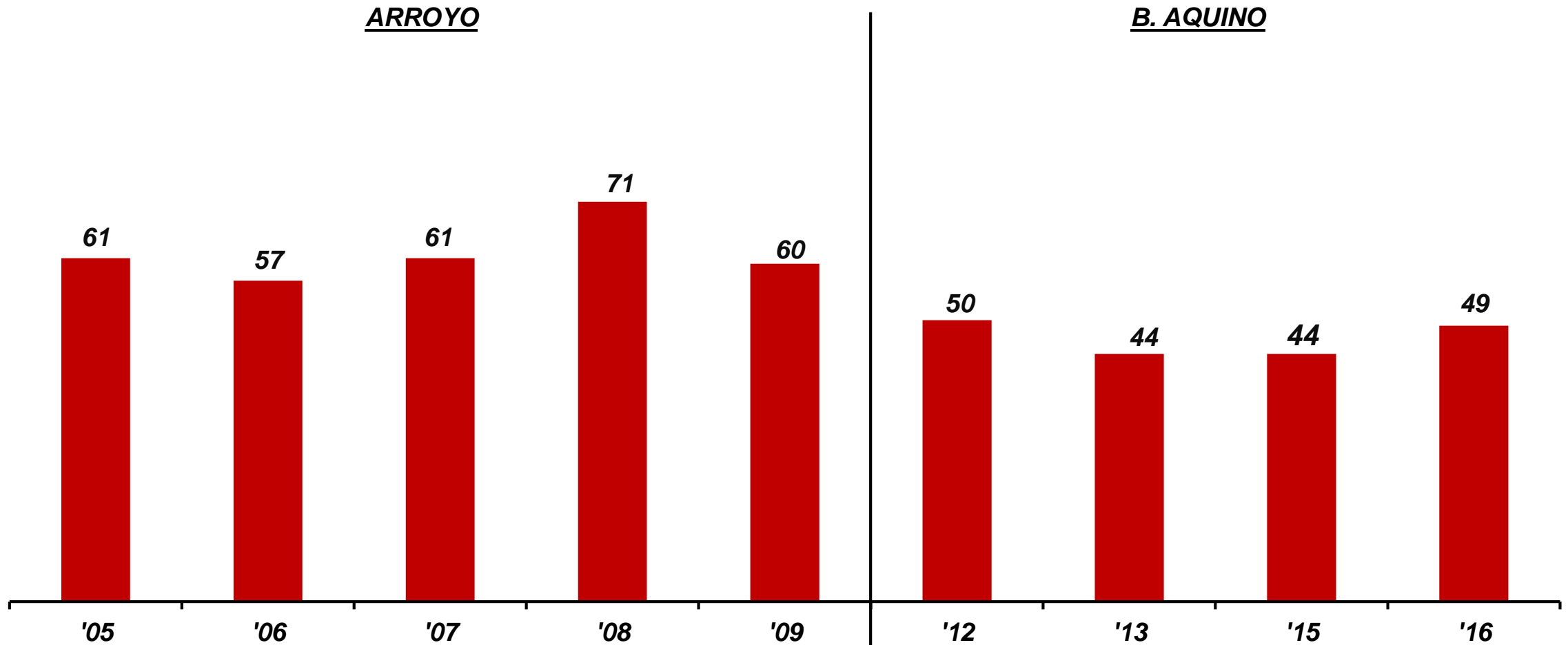
5) ENTERPRISES SOLICITED FOR A BRIBE

SOLICITED FOR A BRIBE, 2013 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

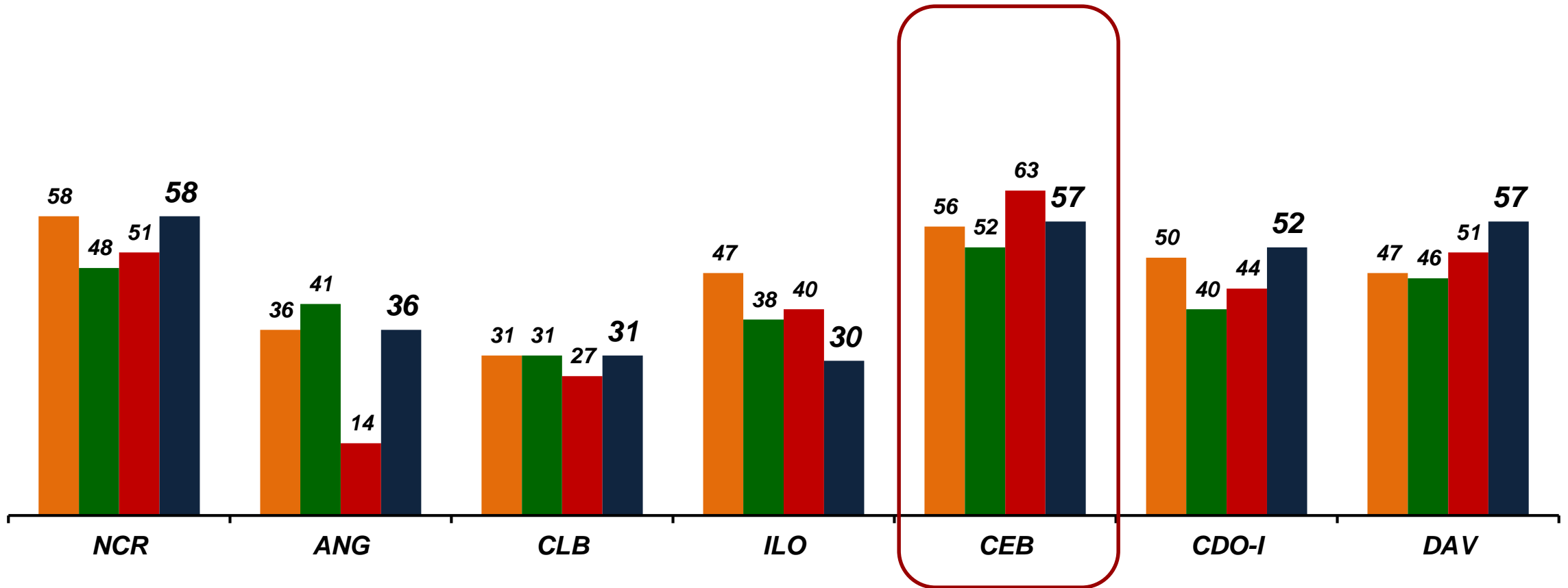
ENTERPRISES SOLICITED FOR ANY OF SEVEN LISTED BRIBES, 2005 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR ANY OF SEVEN LISTED BRIBES, BY AREA, 2012 – 2016

■ 2012
 ■ 2013
 ■ 2015
 ■ 2016



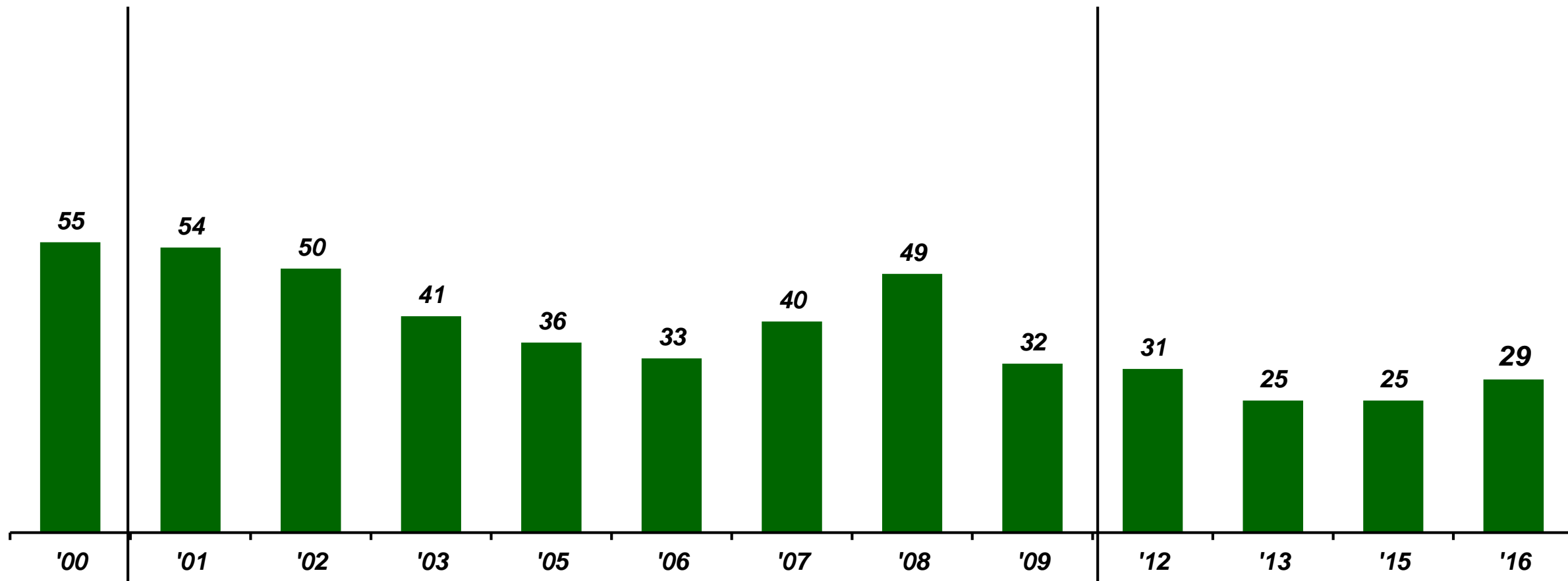
Q68-74. In which of the following transactions has your company been asked for a bribe by anyone in government during 2013-2014?

ENTERPRISES SOLICITED FOR A BRIBE: GETTING LOCAL GOV'T PERMITS/LICENSES, 2000 – 2016

ESTRADA

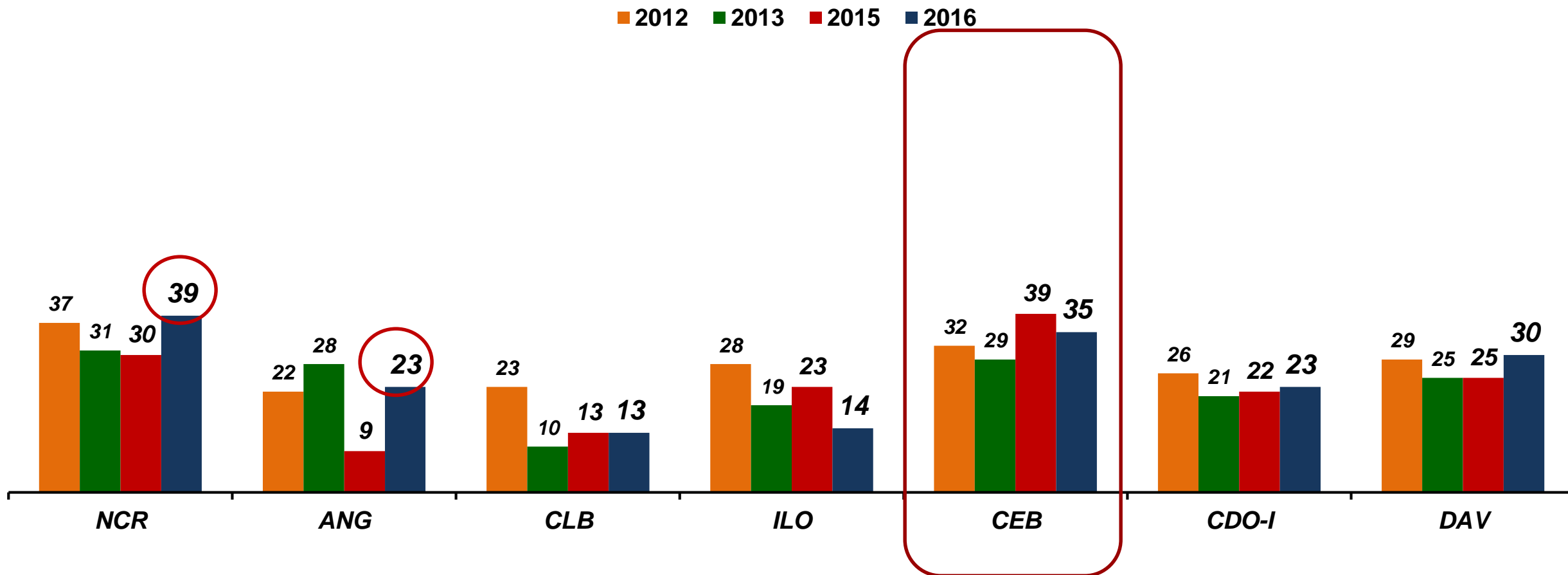
ARROYO

B. AQUINO



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: GETTING LOCAL GOV'T PERMITS/LICENSES, BY AREA, 2012 – 2016



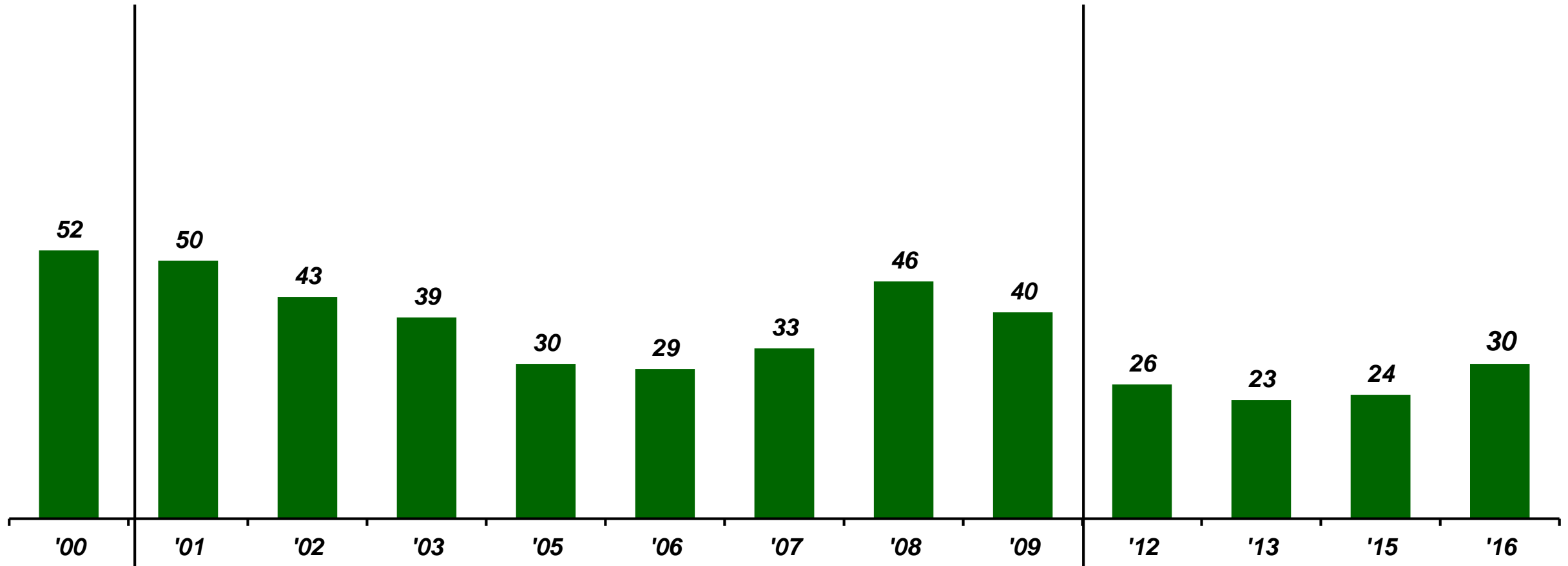
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: ASSESSMENT/PAYMENT OF INCOME TAXES, 2000 – 2016

ESTRADA

ARROYO

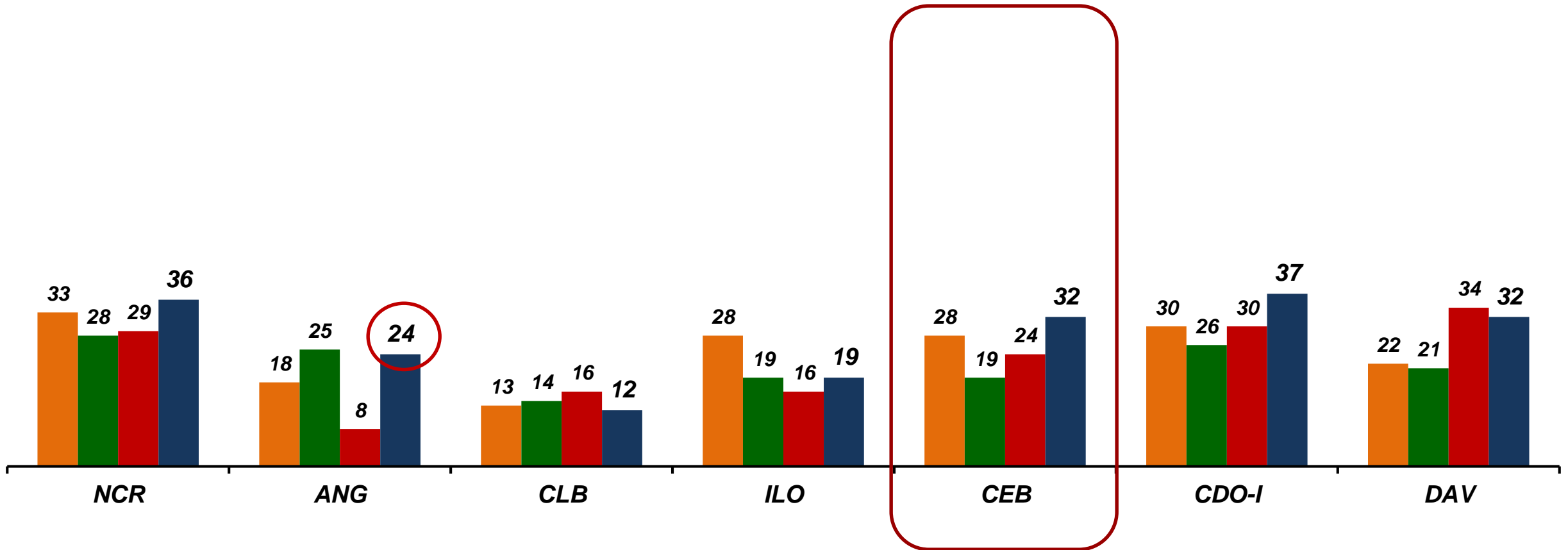
B. AQUINO



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

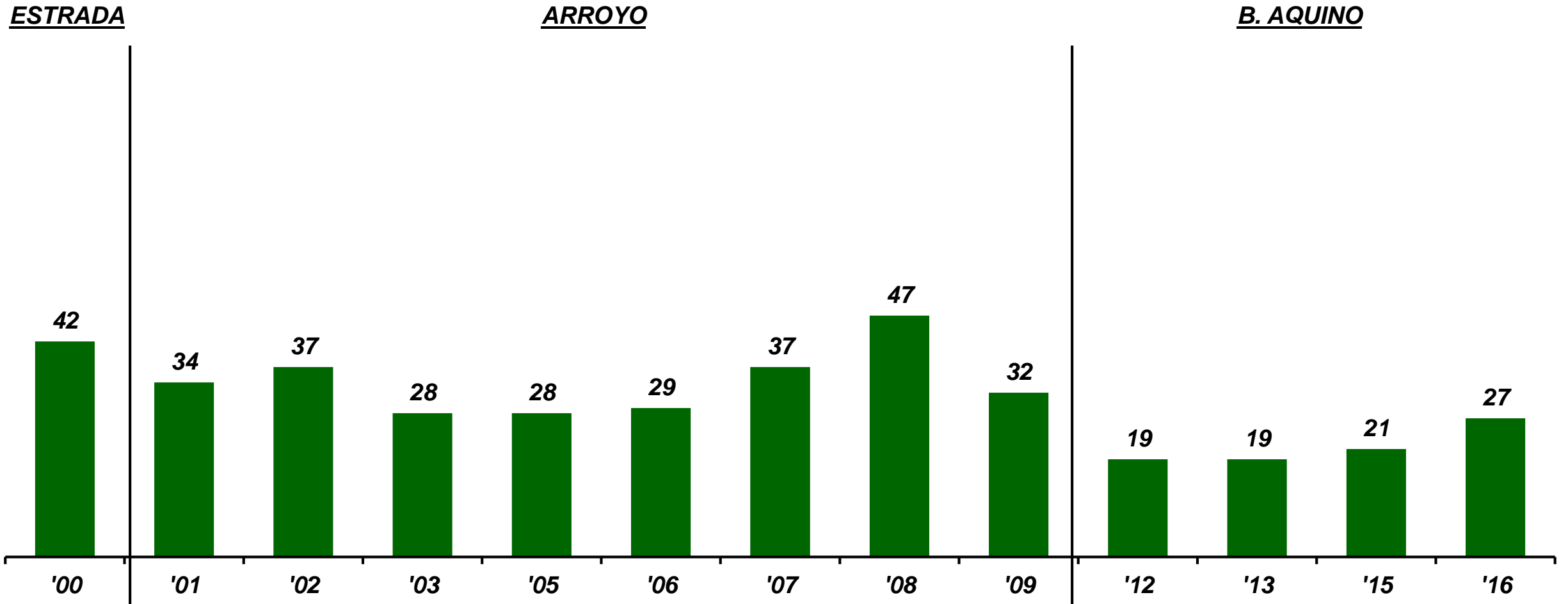
ENTERPRISES SOLICITED FOR A BRIBE: ASSESSMENT/PAYMENT OF INCOME TAXES, BY AREA, 2012 – 2016

2012 2013 2015 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

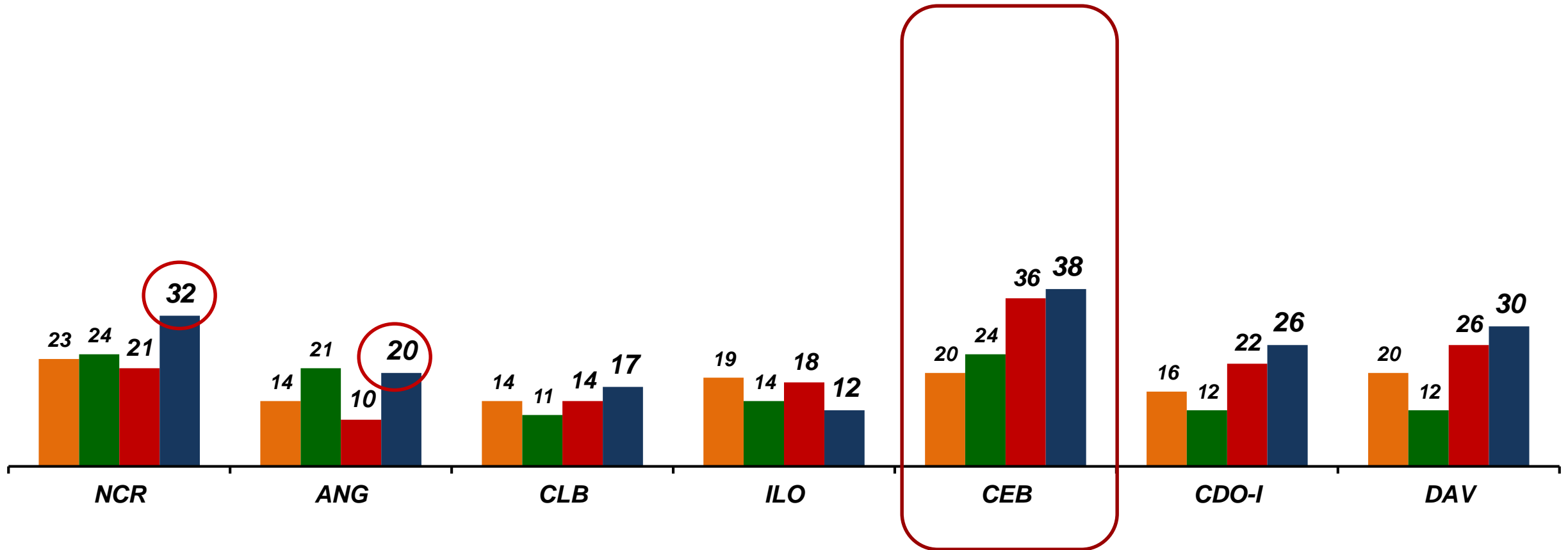
ENTERPRISES SOLICITED FOR A BRIBE: GETTING NATIONAL GOV'T PERMITS/ LICENSES, 2000 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

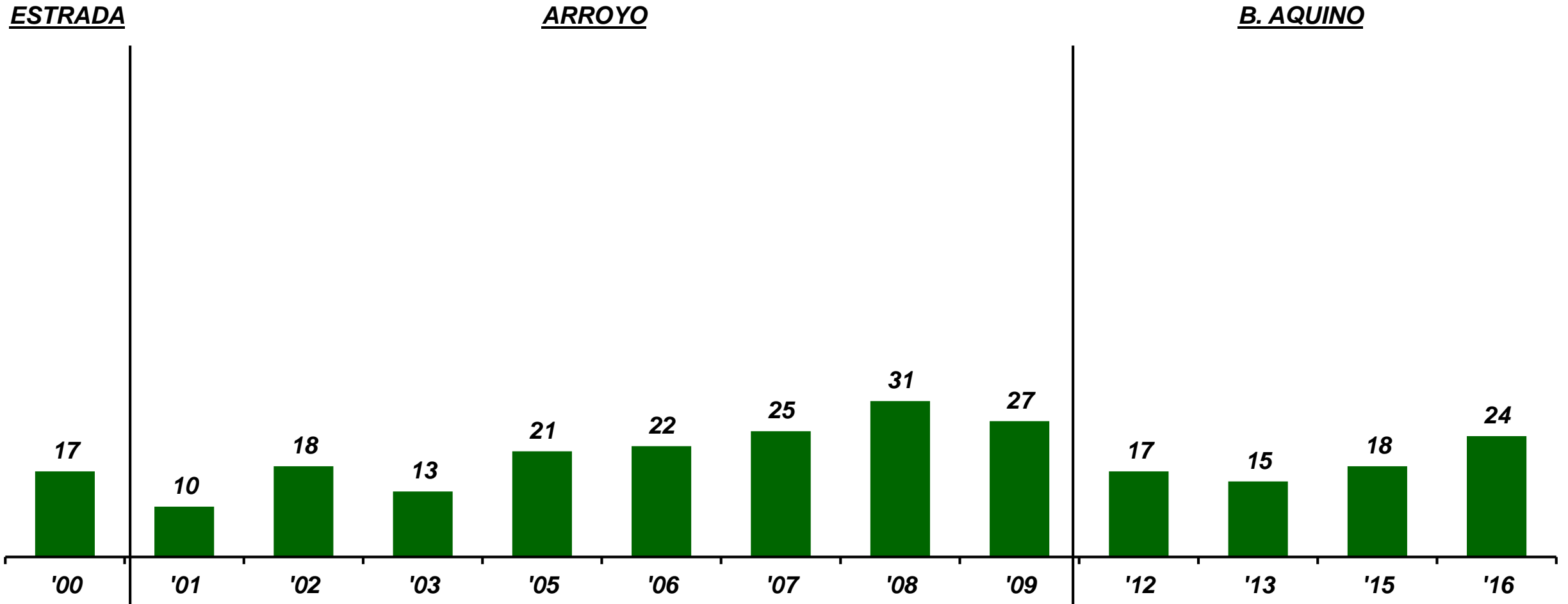
ENTERPRISES SOLICITED FOR A BRIBE: GETTING NATIONAL GOV'T PERMITS/ LICENSES, BY AREA, 2012 – 2016

2012 2013 2015 2016



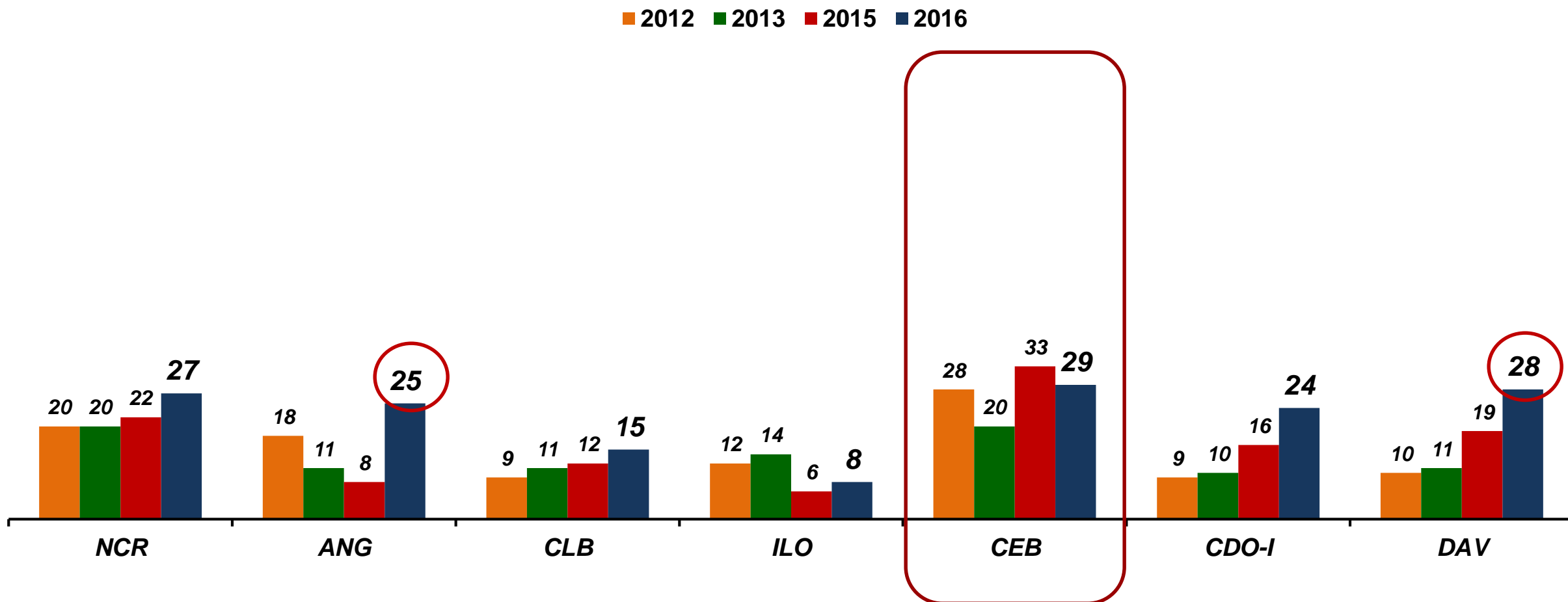
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: COMPLYING WITH IMPORT REGULATIONS INCL. PAYMENT OF IMPORT DUTIES, 2000 – 2016



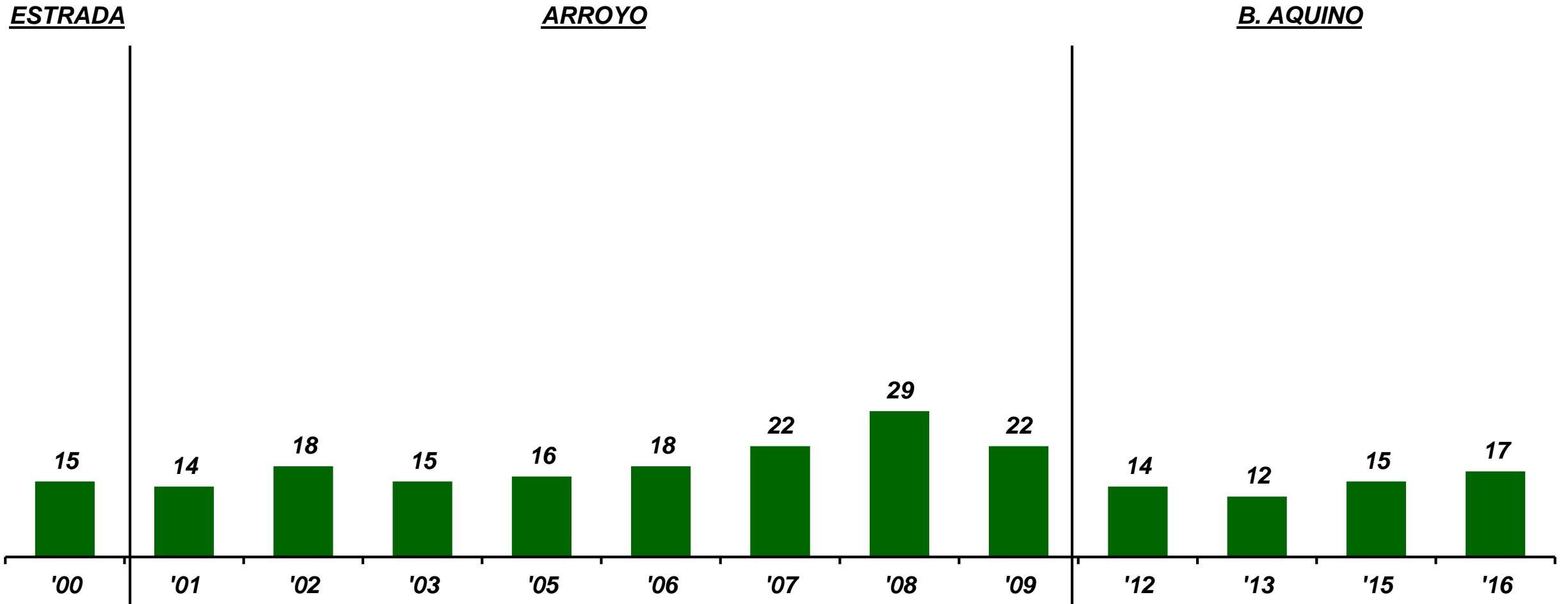
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: COMPLYING WITH IMPORT REGULATIONS INCL. PAYMENT OF IMPORT DUTIES, BY AREA, 2012 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

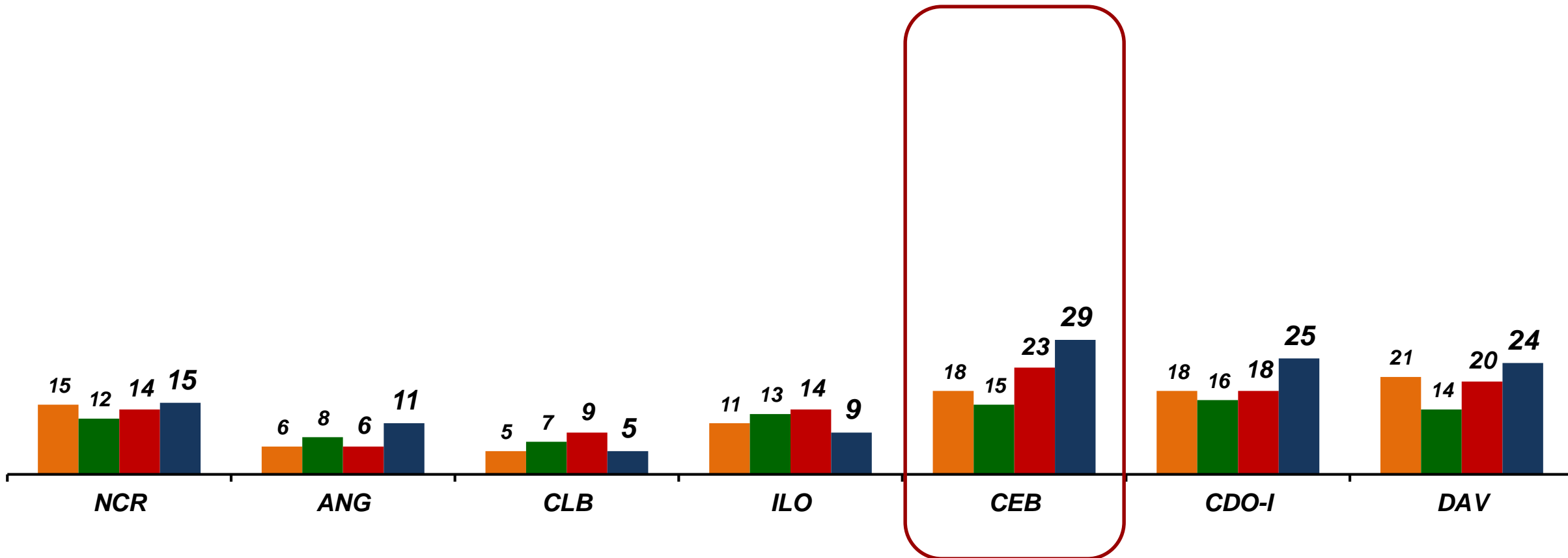
ENTERPRISES SOLICITED FOR A BRIBE: SUPPLYING GOV'T WITH GOODS/ SERVICES, 2000 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: SUPPLYING GOV'T WITH GOODS/ SERVICES, BY AREA, 2012 – 2016

2012 2013 2015 2016



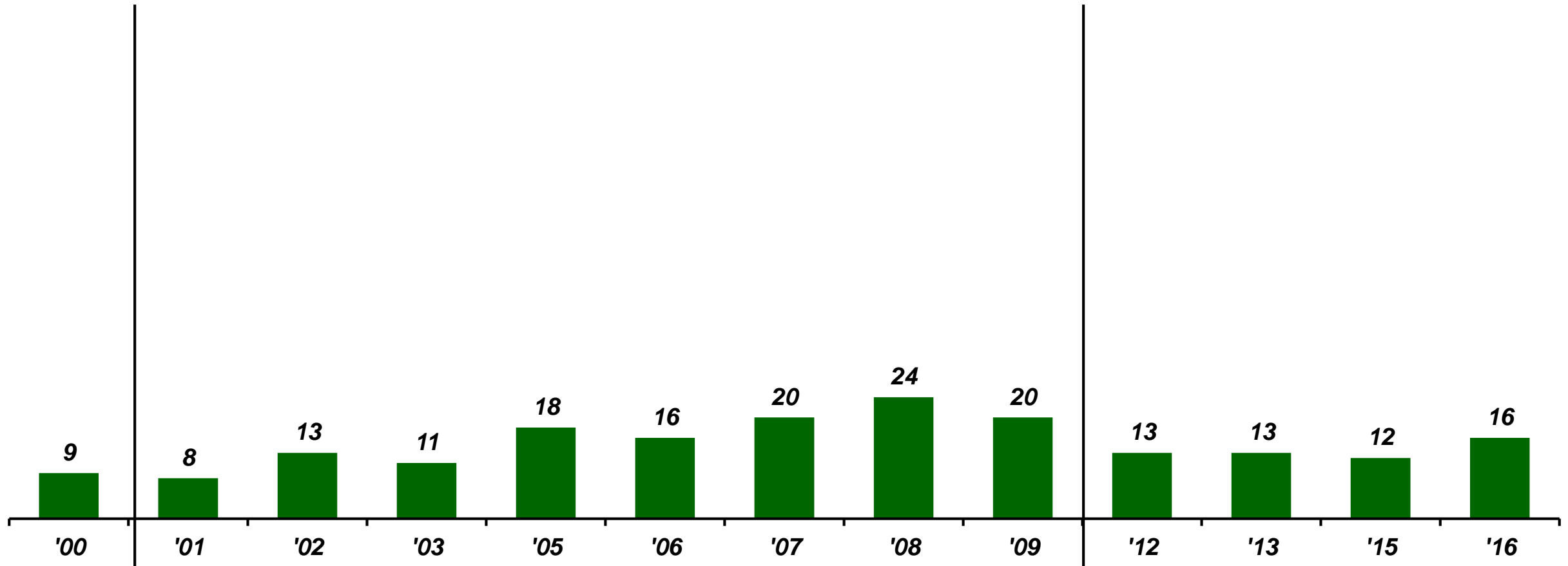
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: COLLECTING RECEIVABLES FROM GOV'T, 2000 – 2016

ESTRADA

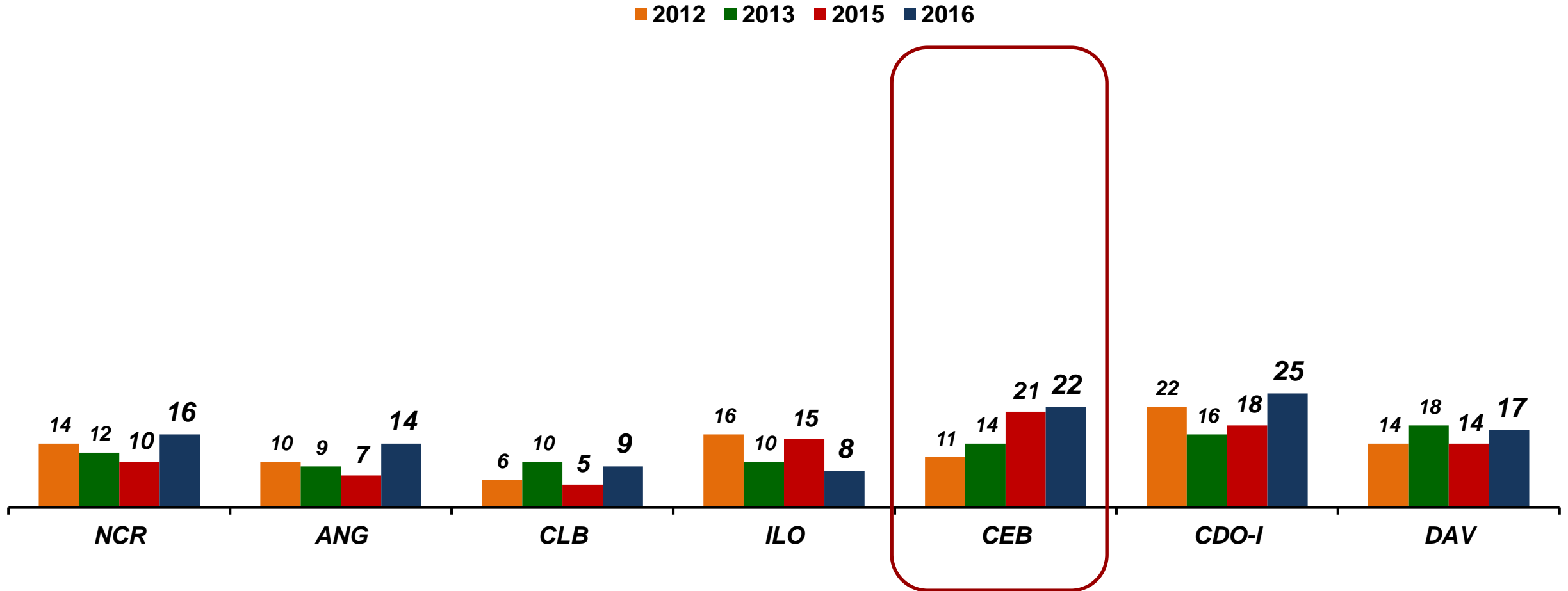
ARROYO

B. AQUINO



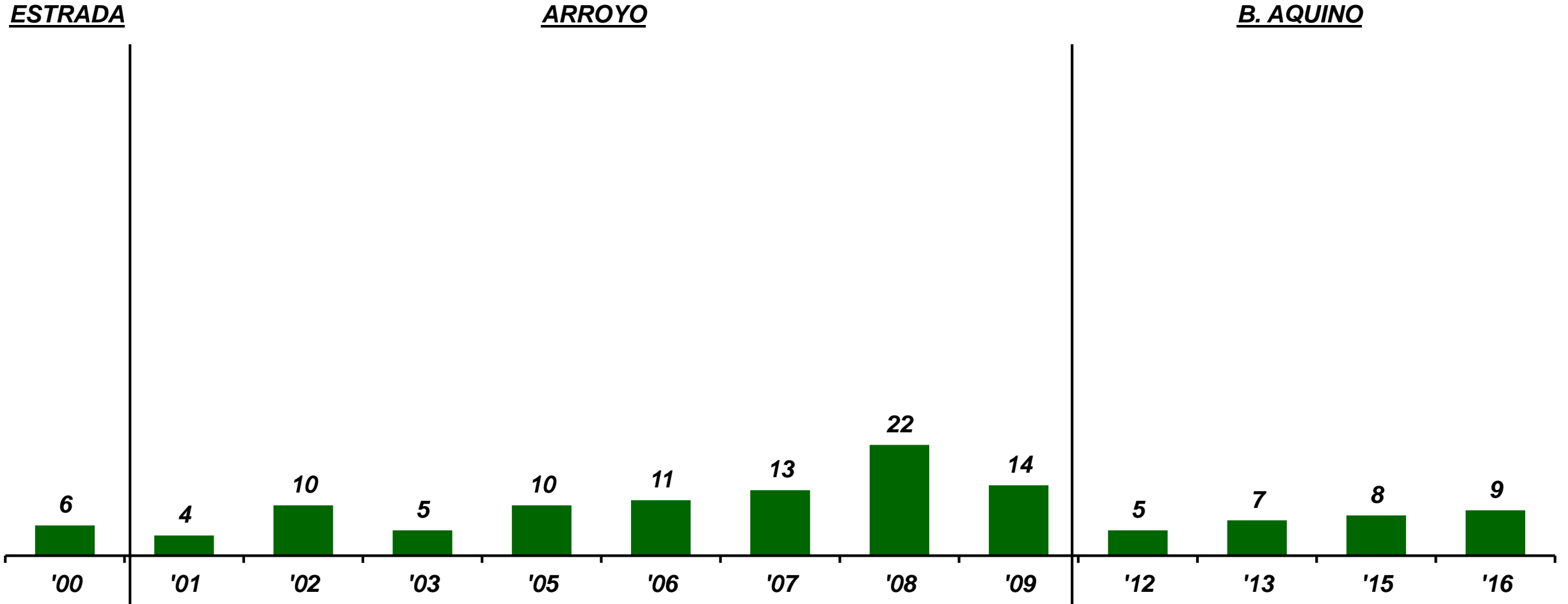
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: COLLECTING RECEIVABLES FROM GOV'T, BY AREA, 2012 – 2016



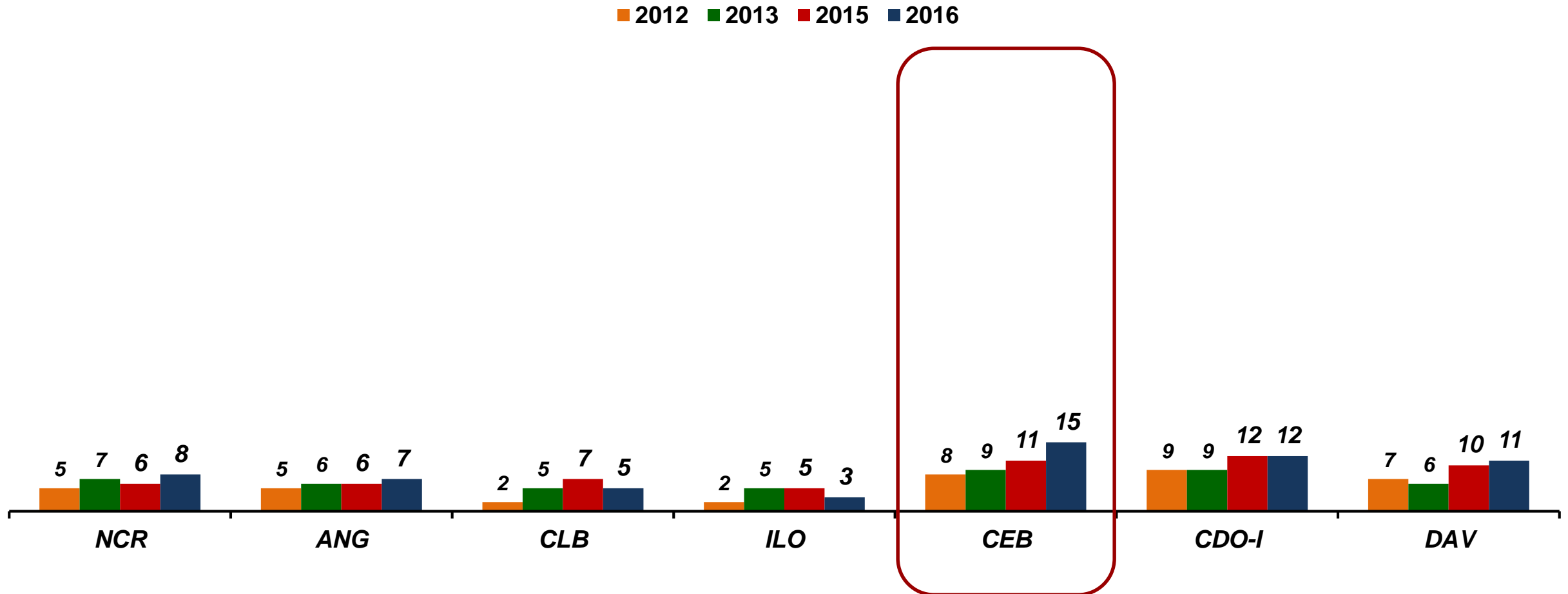
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: AVAILING OF GOV'T INCENTIVES, 2000 – 2016



Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

ENTERPRISES SOLICITED FOR A BRIBE: AVAILING OF GOV'T INCENTIVES, BY AREA, 2012 – 2016



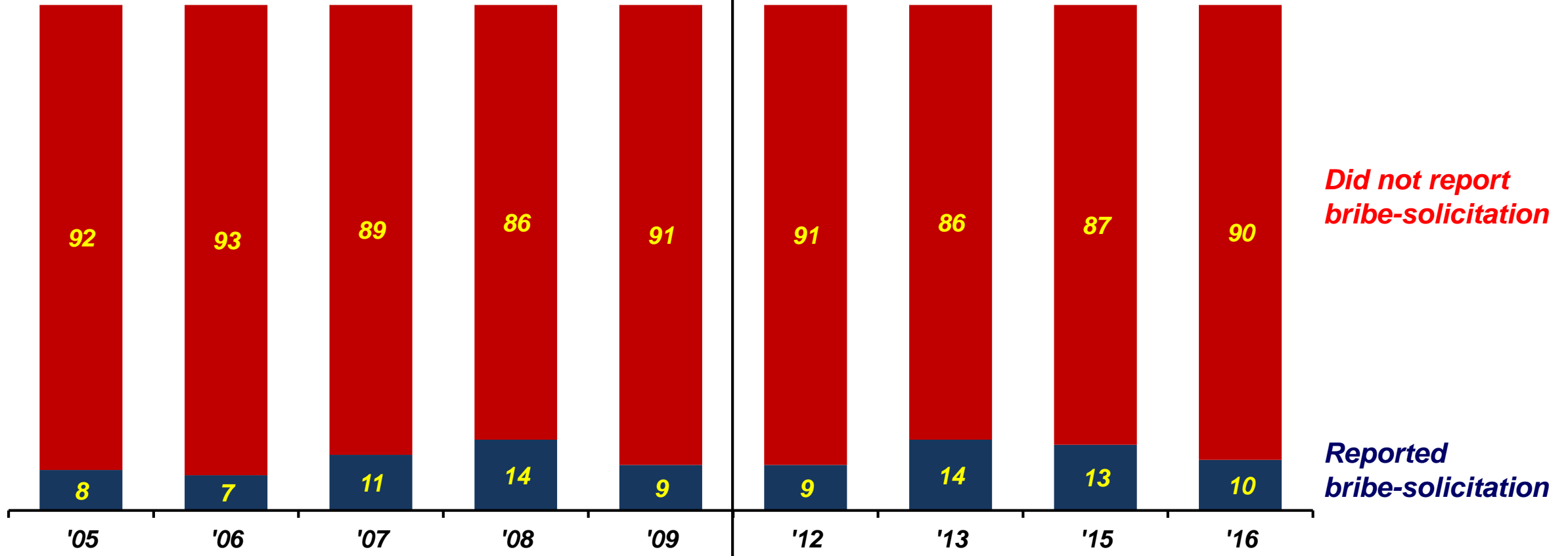
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

REPORTING OF BRIBE-SOLICITATION, 2005 – 2016

Base: Those Who Were Solicited for a Bribe

ARROYO

B. AQUINO



*Did not report
bribe-solicitation*

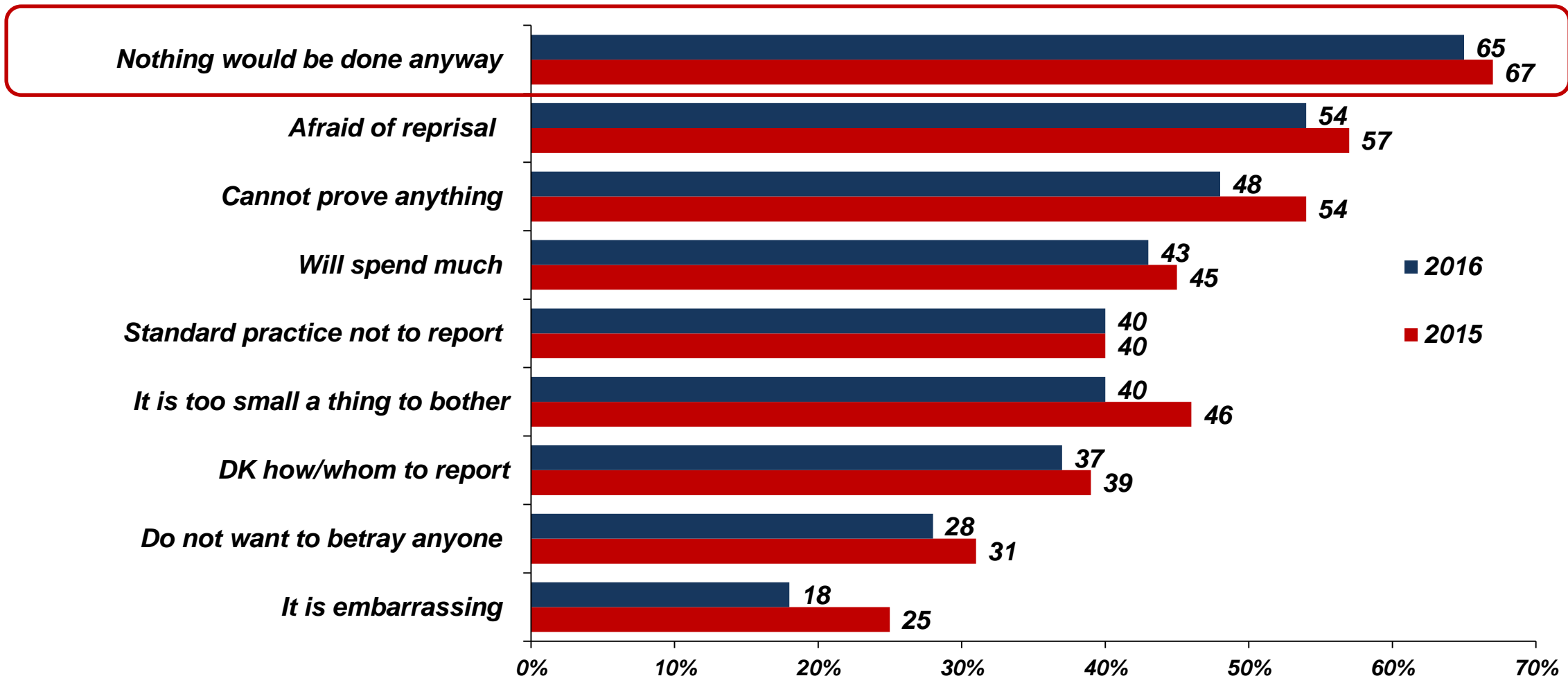
*Reported
bribe-solicitation*

Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2015?

Q84. IF ENCIRCLED ANY CODE 1 IN Q77-83: Did you...?

REASONS FOR NOT REPORTING BRIBE-SOLICITATION, 2015 AND 2016

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



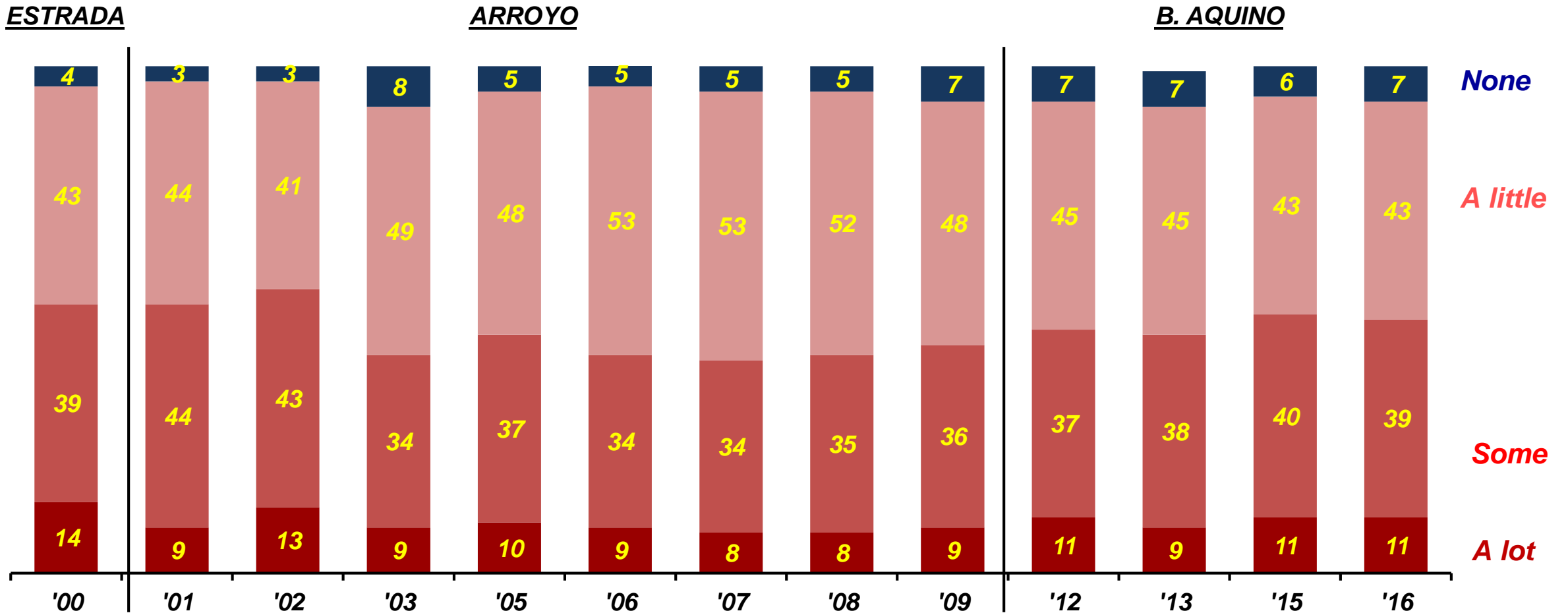
Q77-83. In which of the following transactions has your company been asked for a bribe by anyone in government during 2013-2014?

Q84. IF ENCIRCLED ANY CODE 1 IN Q77-83: Did you...?

Q85. IF DID NOT REPORT: Why did you not report this? (MULTIPLE RESPONSES ALLOWED)

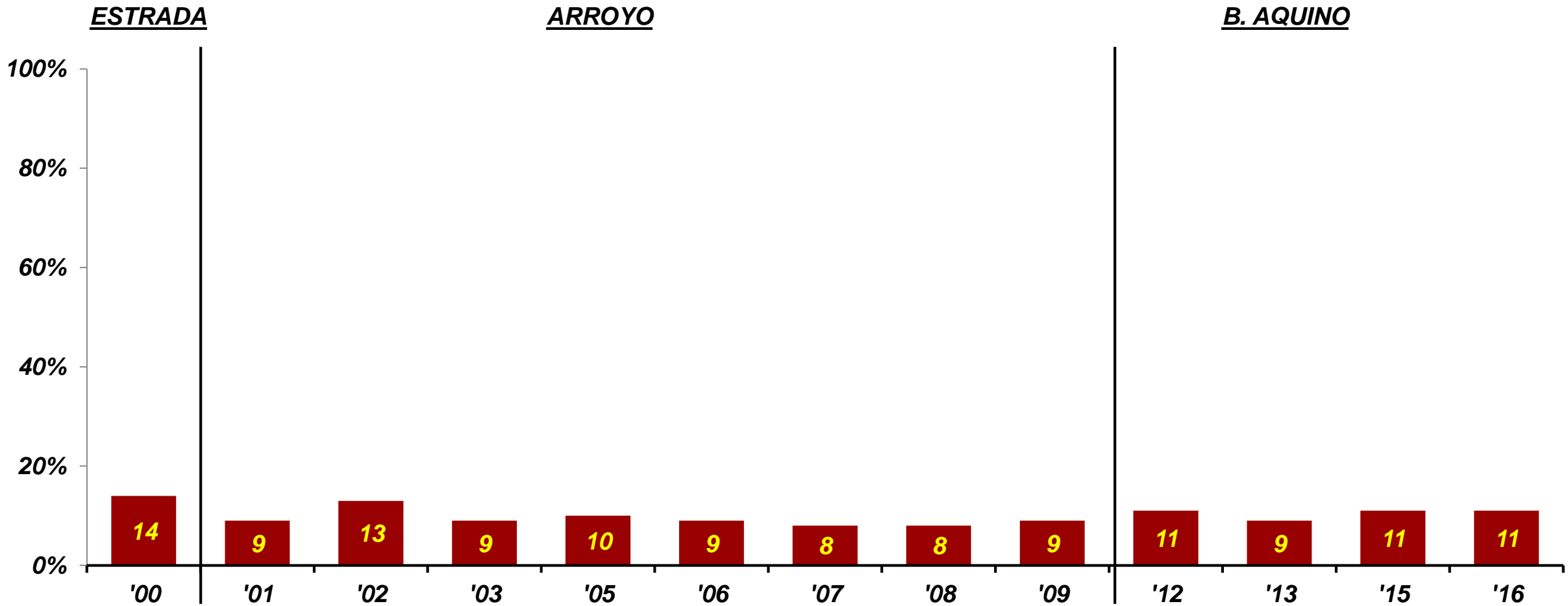
6) PRIVATE SECTOR CORRUPTION

EXTENT OF CORRUPTION IN THE PRIVATE SECTOR, 2000 – 2016



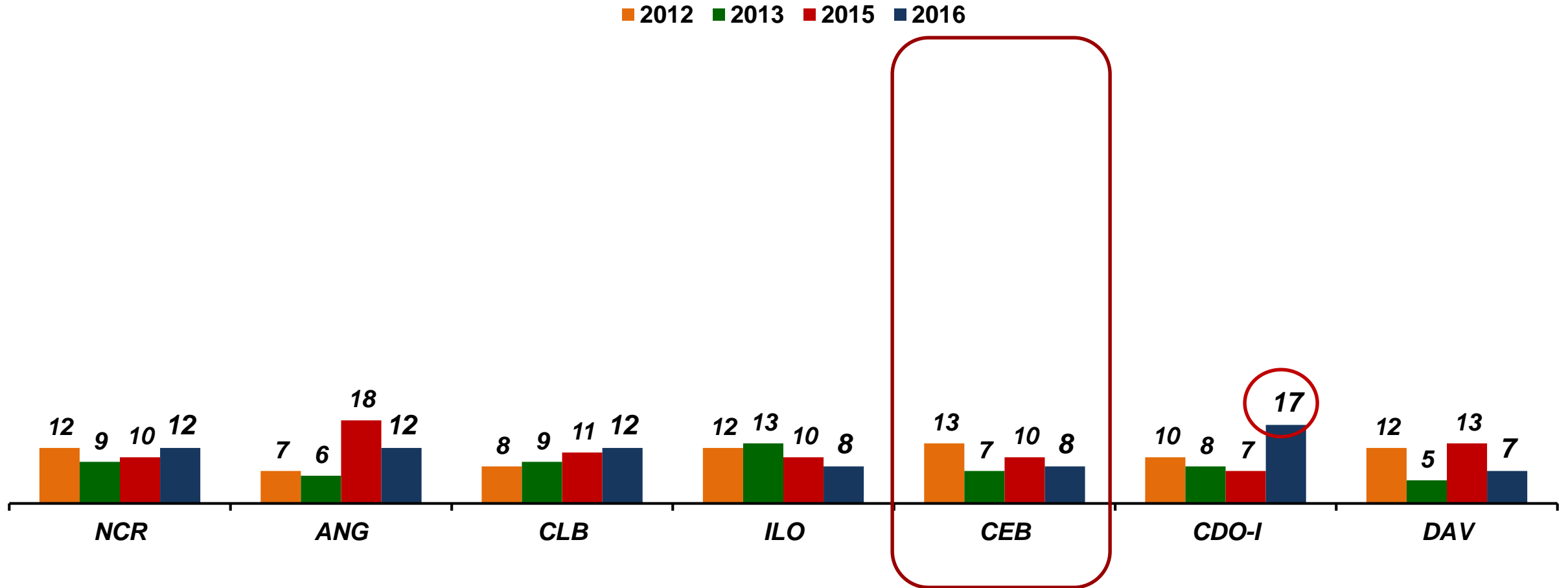
Q61. How much corruption do you think there is in the private sector?

THERE IS “A LOT” OF CORRUPTION IN THE PRIVATE SECTOR, 2000 – 2016



Q61. How much corruption do you think there is in the private sector?

THERE IS “A LOT” OF CORRUPTION IN THE PRIVATE SECTOR, BY AREA, 2012 – 2016



Q61. How much corruption do you think there is in the private sector?

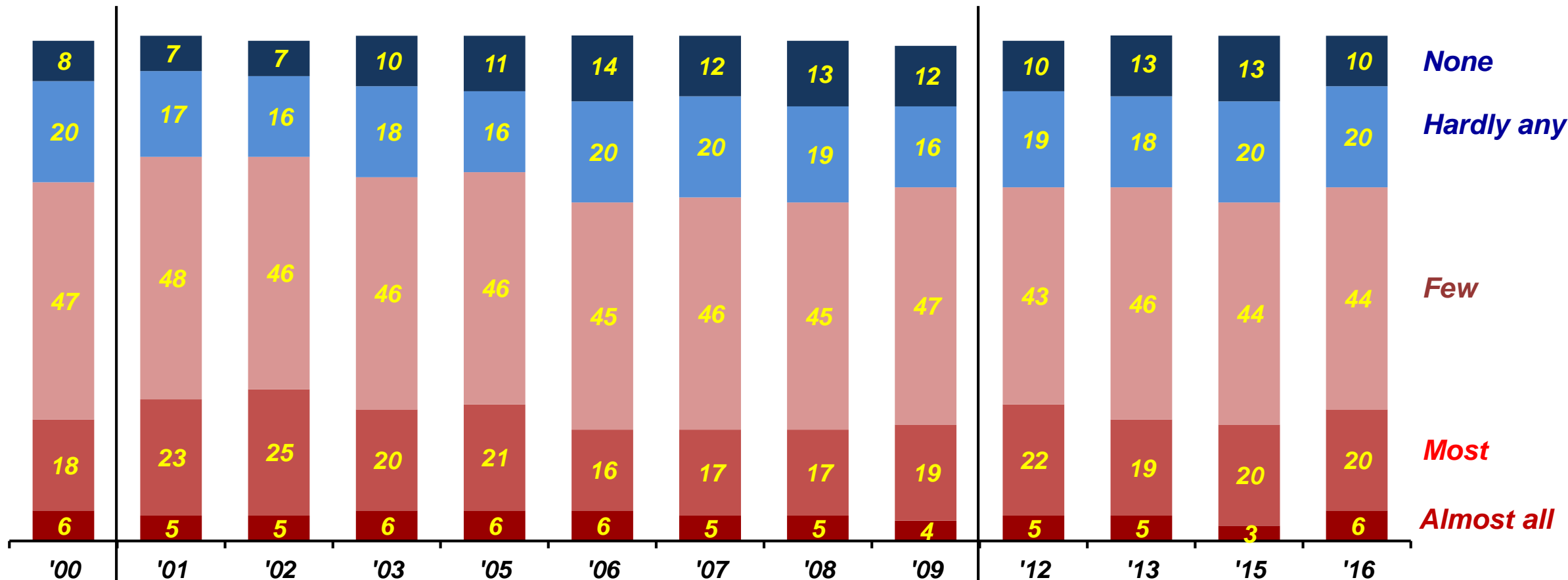
NUMBER OF COMPANIES IN THE SAME LINE OF BUSINESS THAT GIVE BRIBES TO WIN PRIVATE SECTOR CONTRACTS, 2000 - 2016

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

ESTRADA

ARROYO

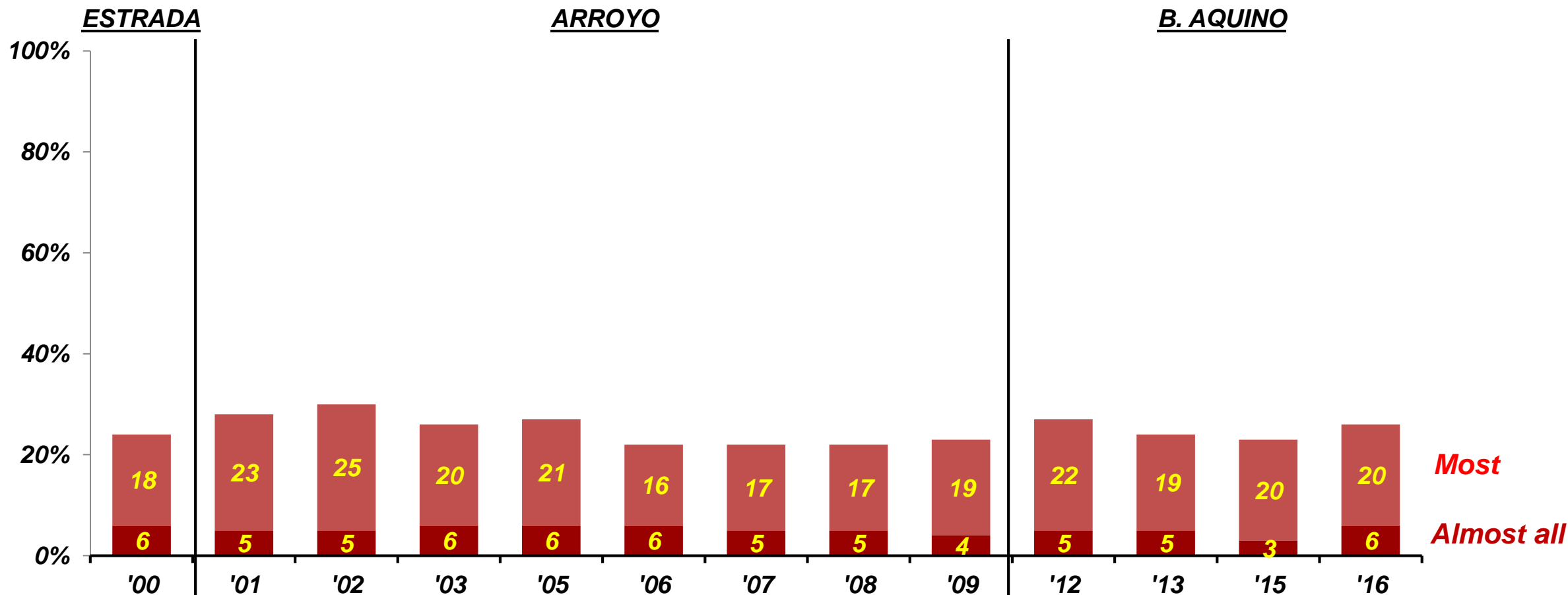
B. AQUINO



Q62. In your sector of business, how many companies do you think give bribes to win private business sector contracts?

MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PRIVATE SECTOR CONTRACTS, 2000 - 2016

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

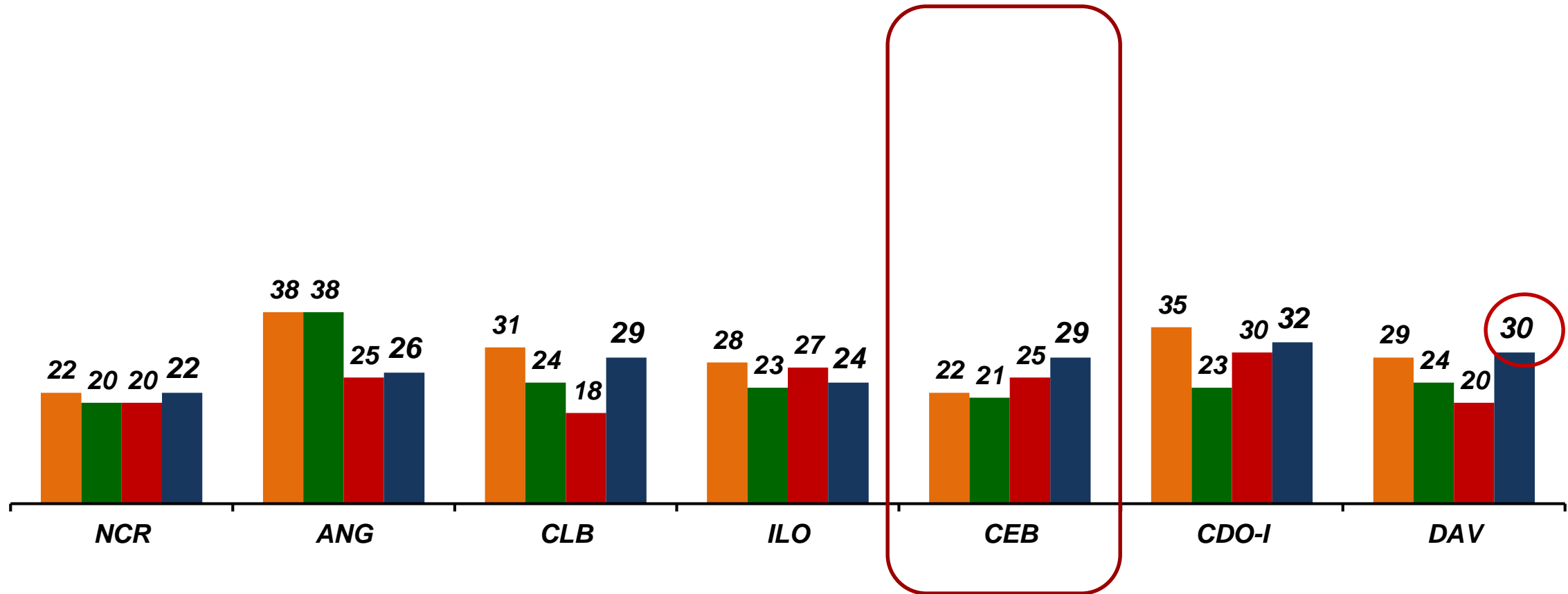


Q62. In your sector of business, how many companies do you think give bribes to win private business sector contracts?

“MOST/ALMOST ALL COMPANIES IN MY LINE OF BUSINESS GIVE BRIBES TO WIN PRIVATE SECTOR CONTRACTS”, BY AREA, 2012 – 2016

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

2012 2013 2015 2016



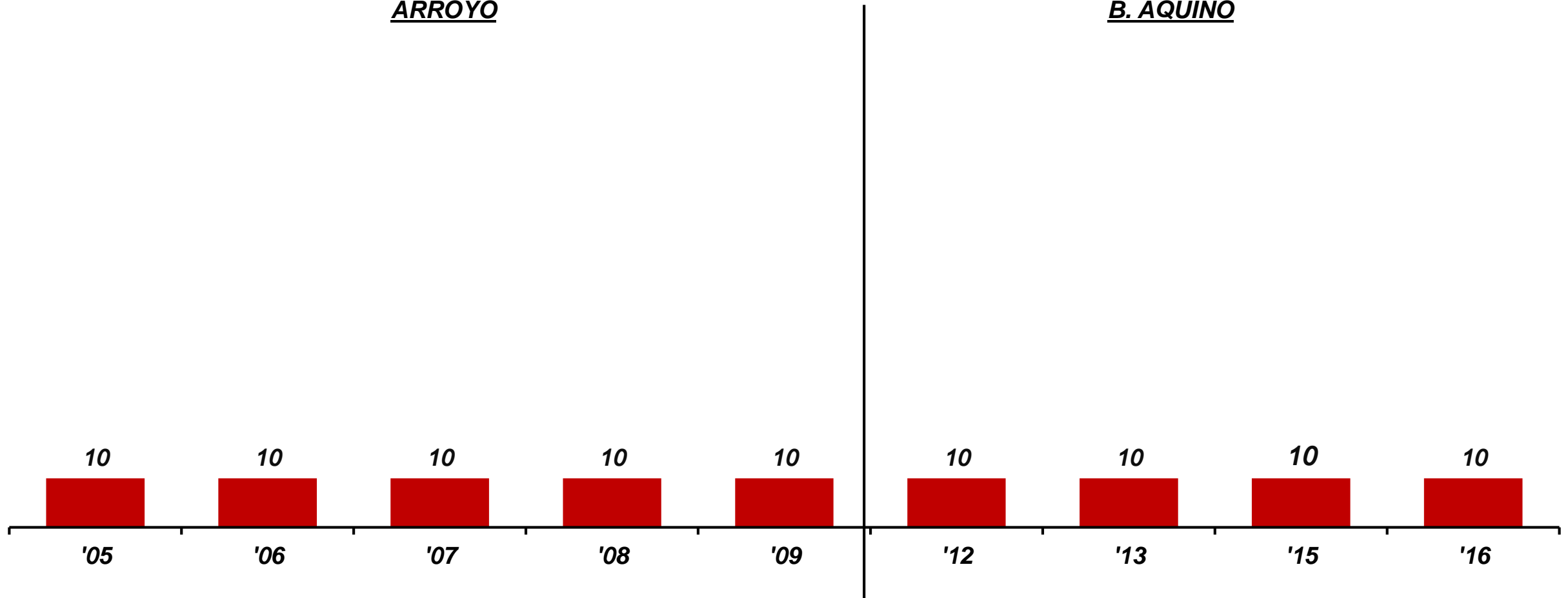
Q62. In your sector of business, how many companies do you think give bribes to win private business sector contracts?

MEDIAN PERCENTAGE OF CONTRACTS ALLOTTED AS A BRIBE FOR A PRIVATE BUSINESS CONTRACT, 2005 – 2016

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

ARROYO

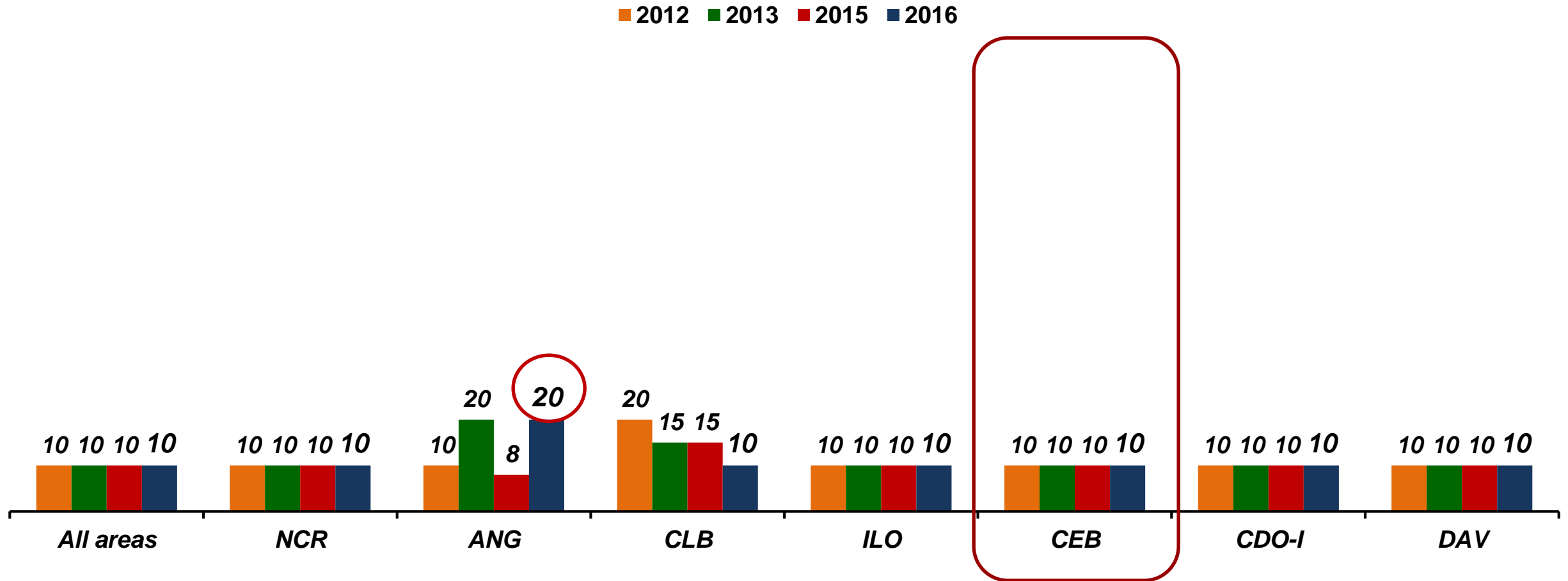
B. AQUINO



Q63. In instances when bribery happens, what percentage of an average contract is allotted for bribes to win private business contracts?

MEDIAN PERCENTAGE OF CONTRACTS ALLOTTED AS A BRIBE FOR A PRIVATE BUSINESS CONTRACT, BY AREA, 2012 – 2016

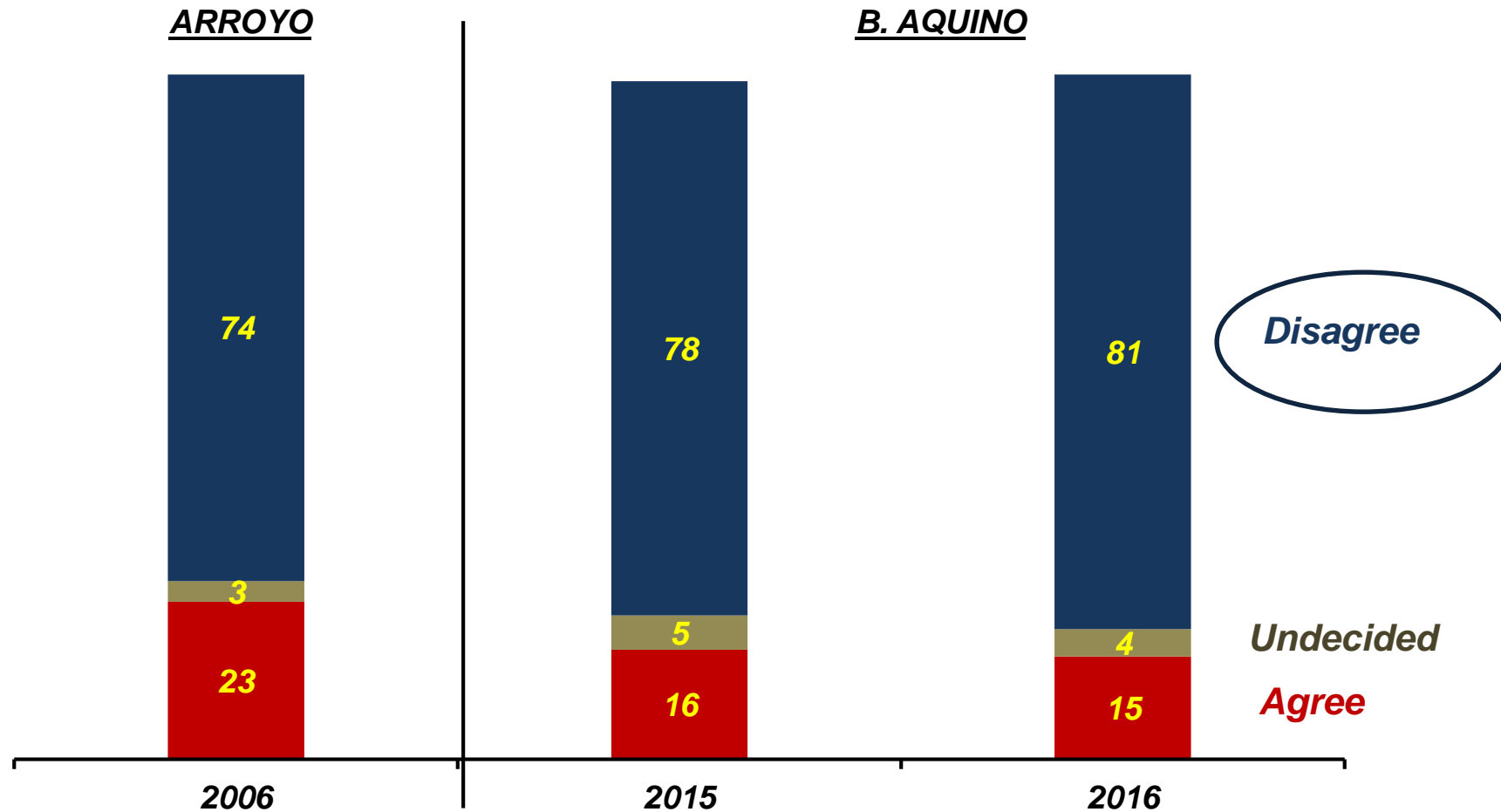
Base: Total Who Say Companies in Their Sector Allot a Percentage for Bribes to Win Private Sector Contracts



Q63. In instances when bribery happens, what percentage of an average contract is allotted for bribes to win private business contracts?

7) BUSINESS EFFORTS TO FIGHT CORRUPTION

“TO PROSPER IN BUSINESS IN THE PHILIPPINES TODAY, ONE HAS TO BE CORRUPT,” 2006 - 2016

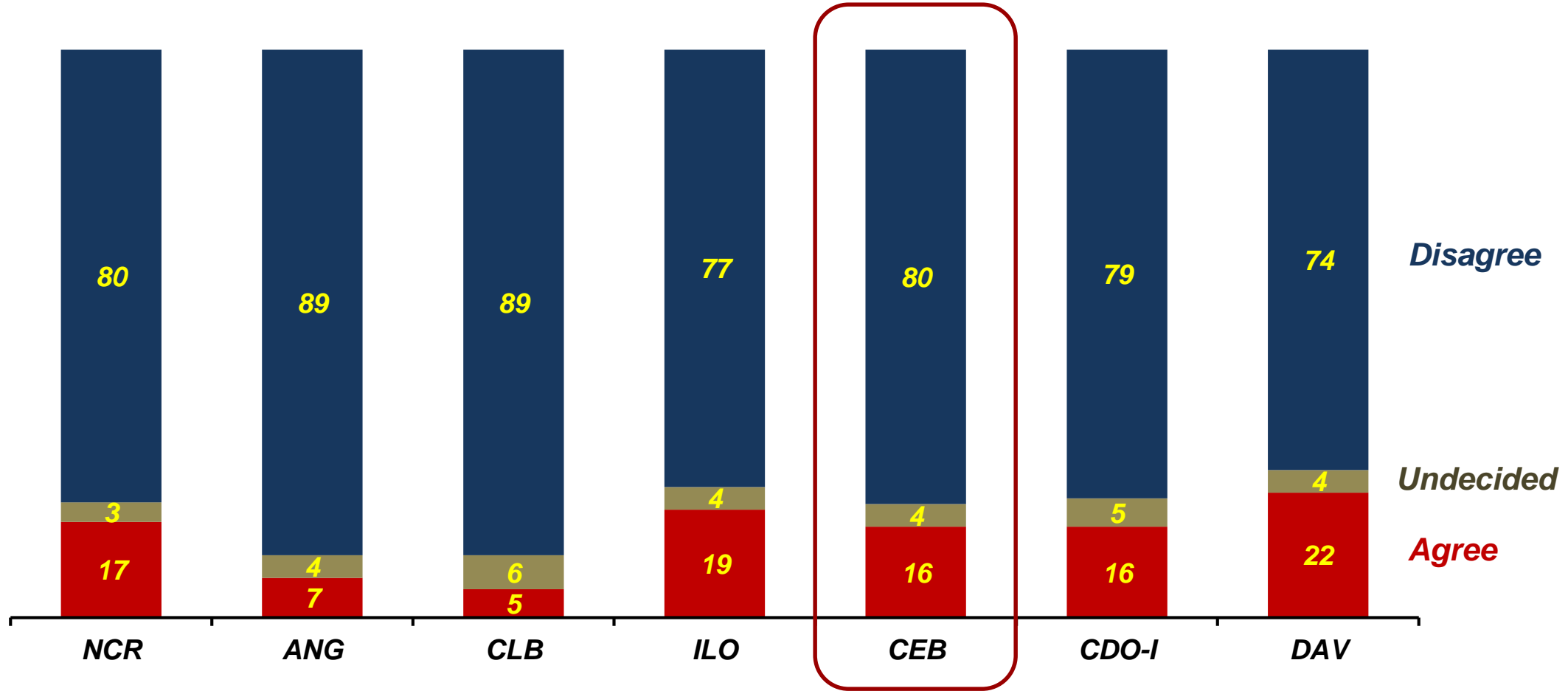


Disagree

Undecided
Agree

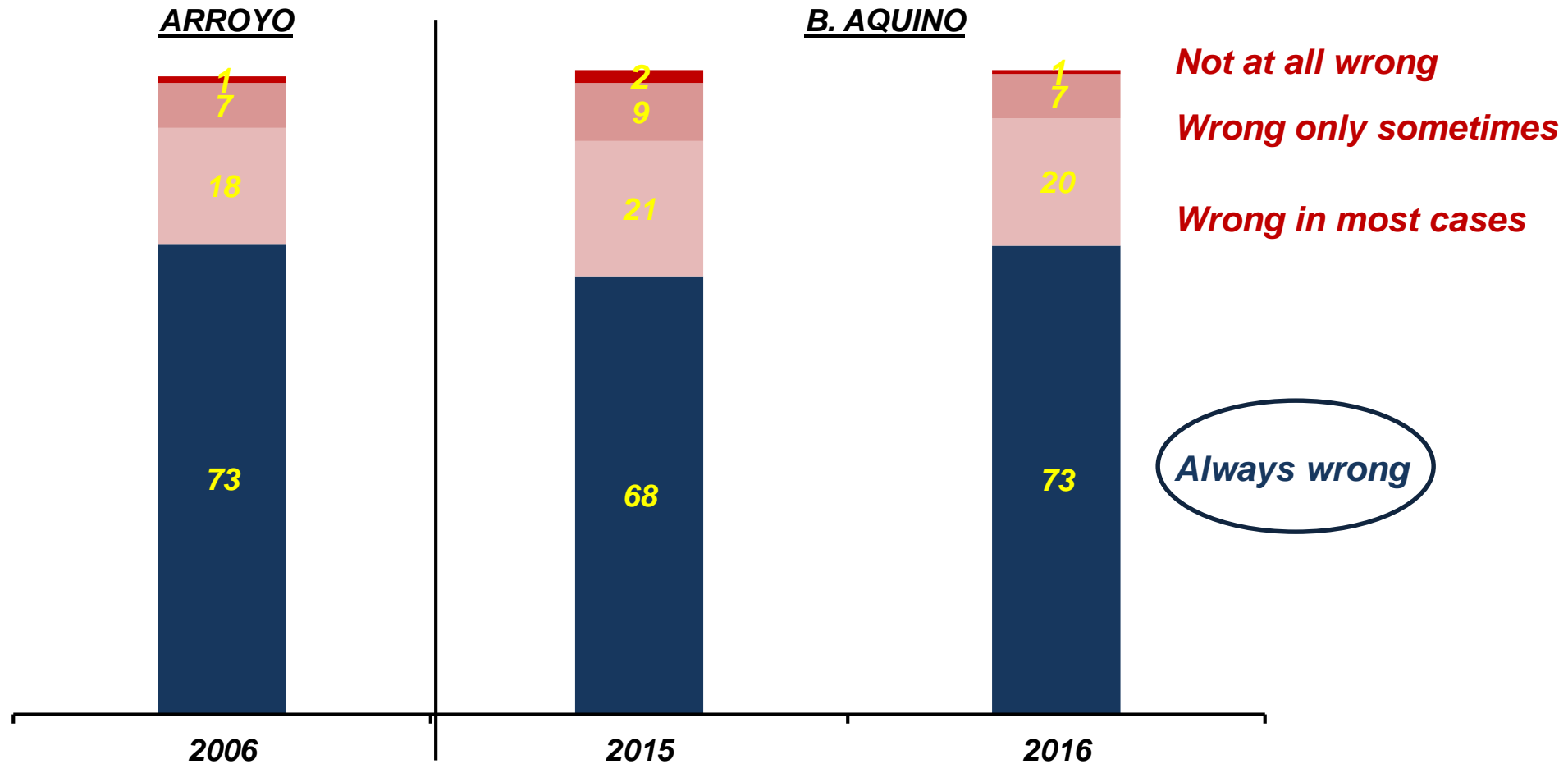
Q8. Do you agree or disagree with this statement: “To prosper in business in the Philippines today, one has to be corrupt”?

“TO PROSPER IN BUSINESS IN THE PHILIPPINES TODAY, ONE HAS TO BE CORRUPT,” BY AREA, 2016



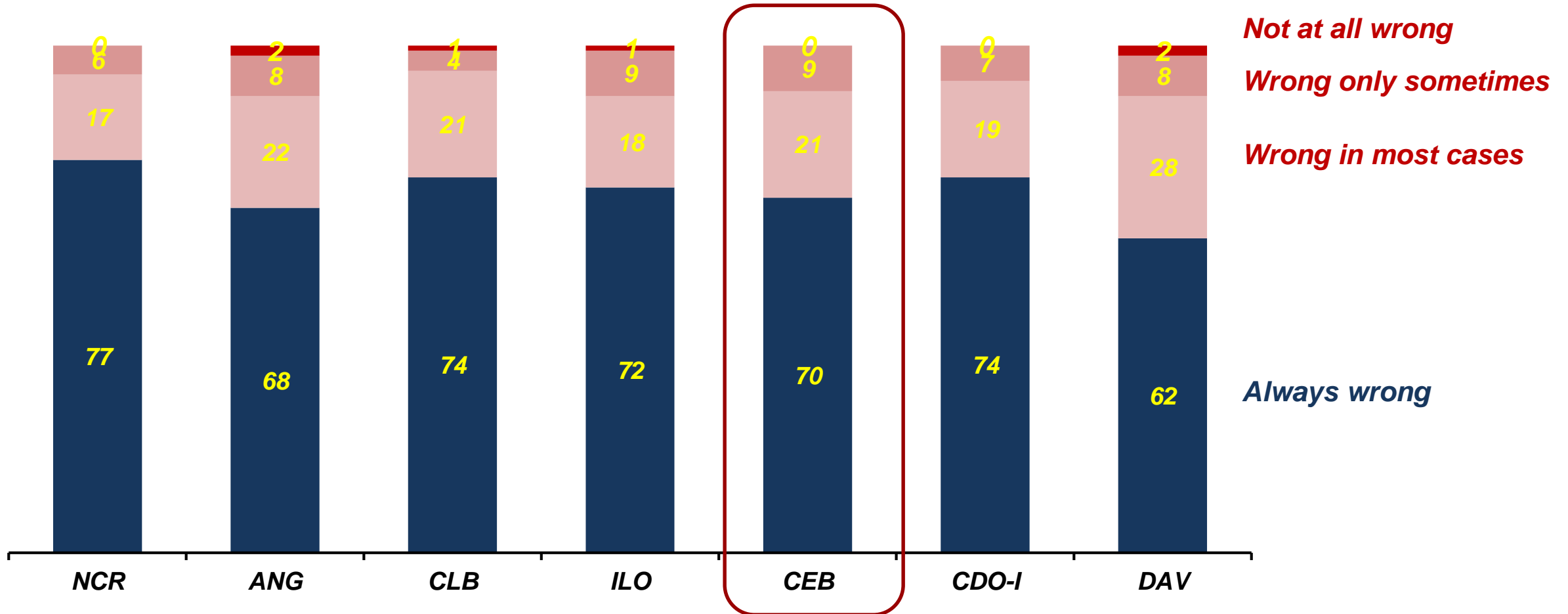
Q8. Do you agree or disagree with this statement: “To prosper in business in the Philippines today, one has to be corrupt”?

“CHEATING THE GOVERNMENT IS NOT BAD IF IT IS FOR THE BENEFIT OF MY COMPANY AND NOT FOR MYSELF” 2006 - 2016



Q2. If a business executive says: “CHEATING THE GOVERNMENT IS NOT BAD IF IT IS FOR THE BENEFIT OF MY COMPANY, AND NOT FOR MYSELF,” would you say that this attitude is:

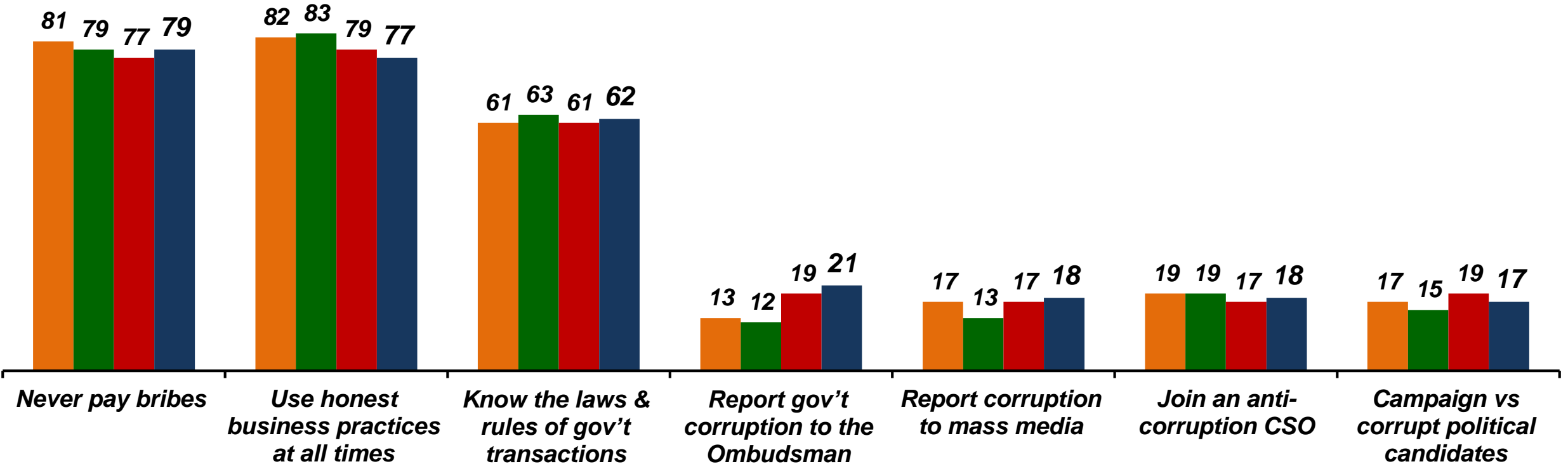
“CHEATING THE GOVERNMENT IS NOT BAD IF IT IS FOR THE BENEFIT OF MY COMPANY AND NOT FOR MYSELF,” BY AREA, 2016



Q2. If a business executive says: “CHEATING THE GOVERNMENT IS NOT BAD IF IT IS FOR THE BENEFIT OF MY COMPANY, AND NOT FOR MYSELF,” would you say that this attitude is:

WAYS FOR BUSINESSES TO REDUCE CORRUPTION, 2012 – 2016

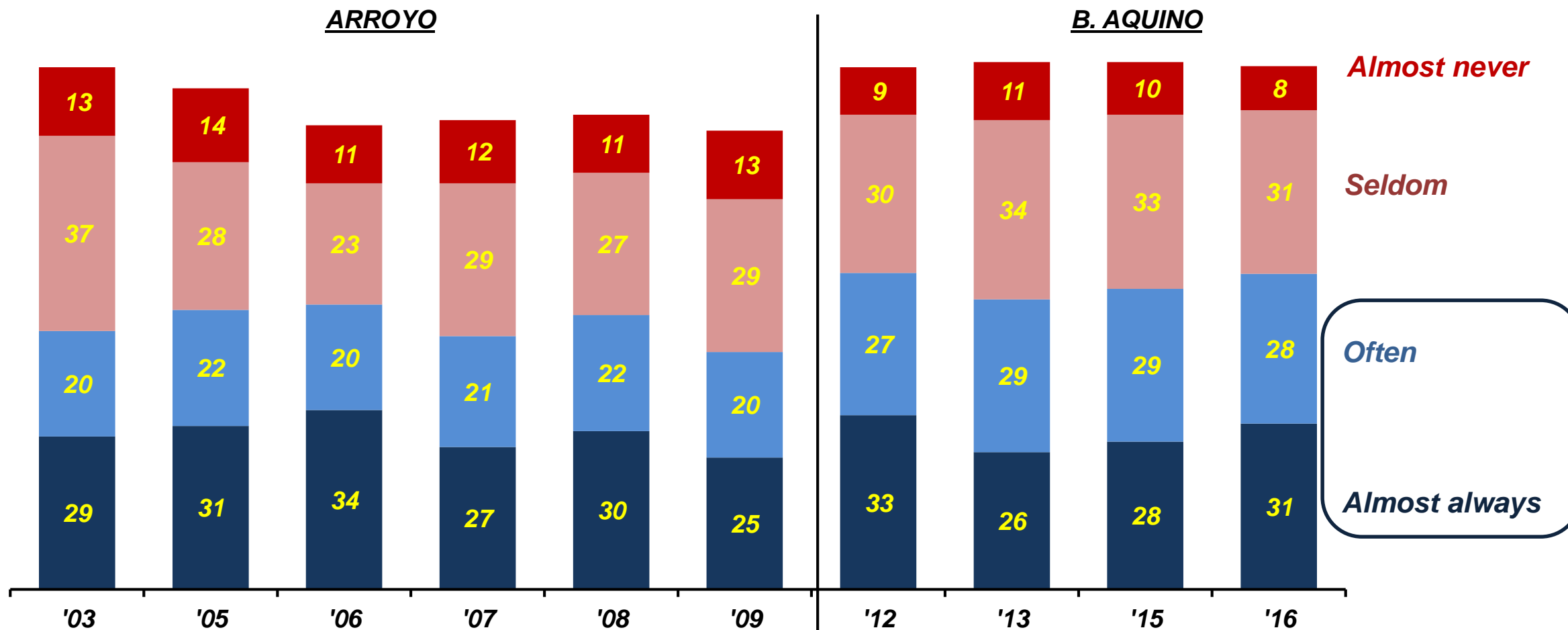
2012 2013 2015 2016



Q106. Among the following, which do you think are the **THREE** best ways for private businesses to help reduce corruption in the country? (THREE RESPONSES ALLOWED)

FREQUENCY OF PUNISHING CORRUPT EXECUTIVES IN OWN SECTOR OF BUSINESS, 2003 – 2016

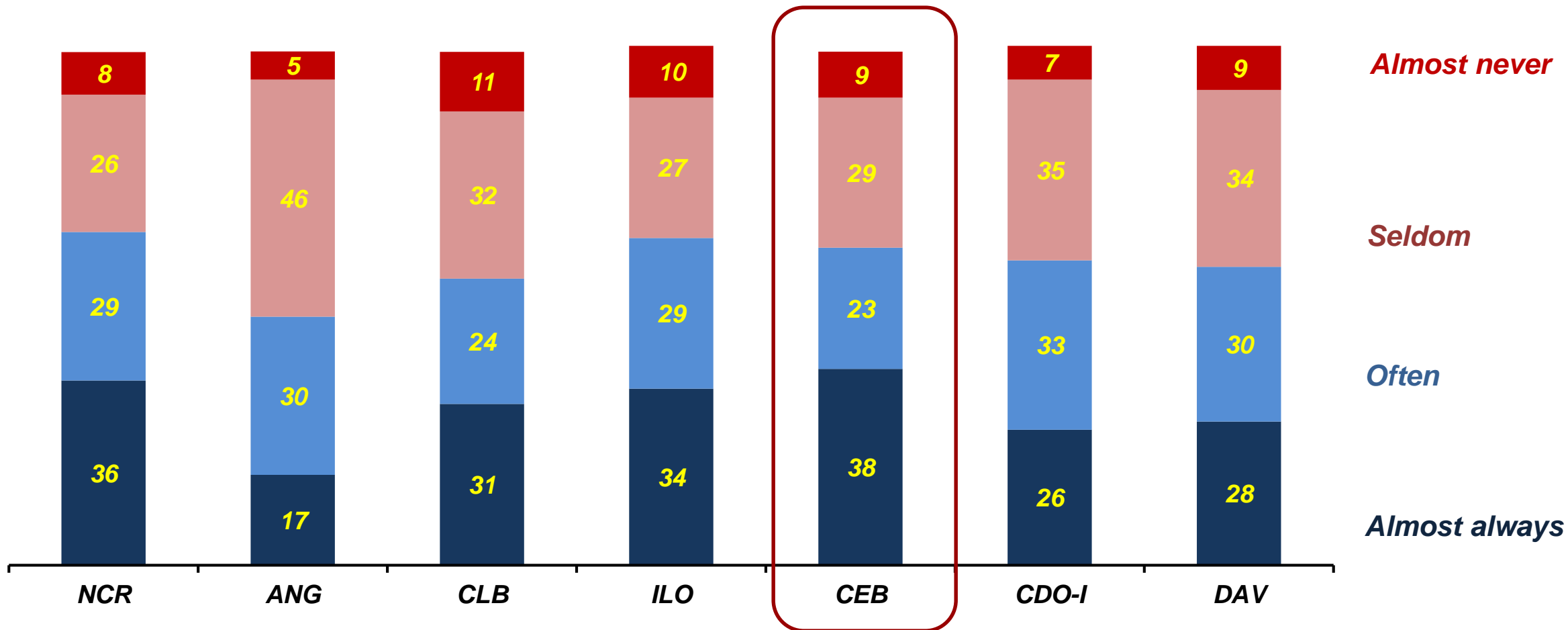
Base: Total Who Say There Is Corruption in the Private Sector



Q64. In your sector of business, how often do enterprises punish their corrupt executives?

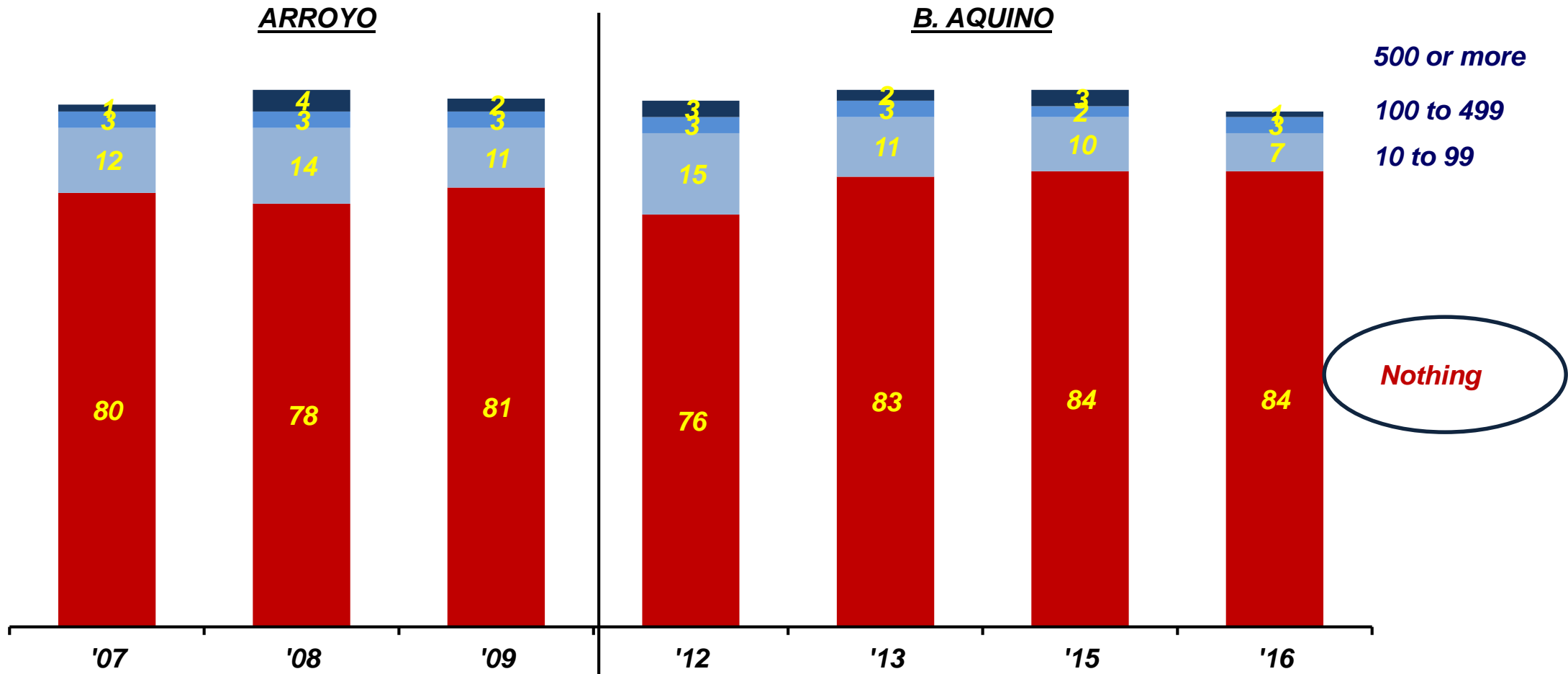
FREQUENCY OF PUNISHING CORRUPT EXECUTIVES IN OWN SECTOR OF BUSINESS, BY AREA, 2016

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



Q64. In your sector of business, how often do enterprises punish their corrupt executives?

CONTRIBUTIONS IN THE LAST 2 YEARS TO ANY PRIVATE ANTI-CORRUPTION PROGRAM, 2007 – 2016

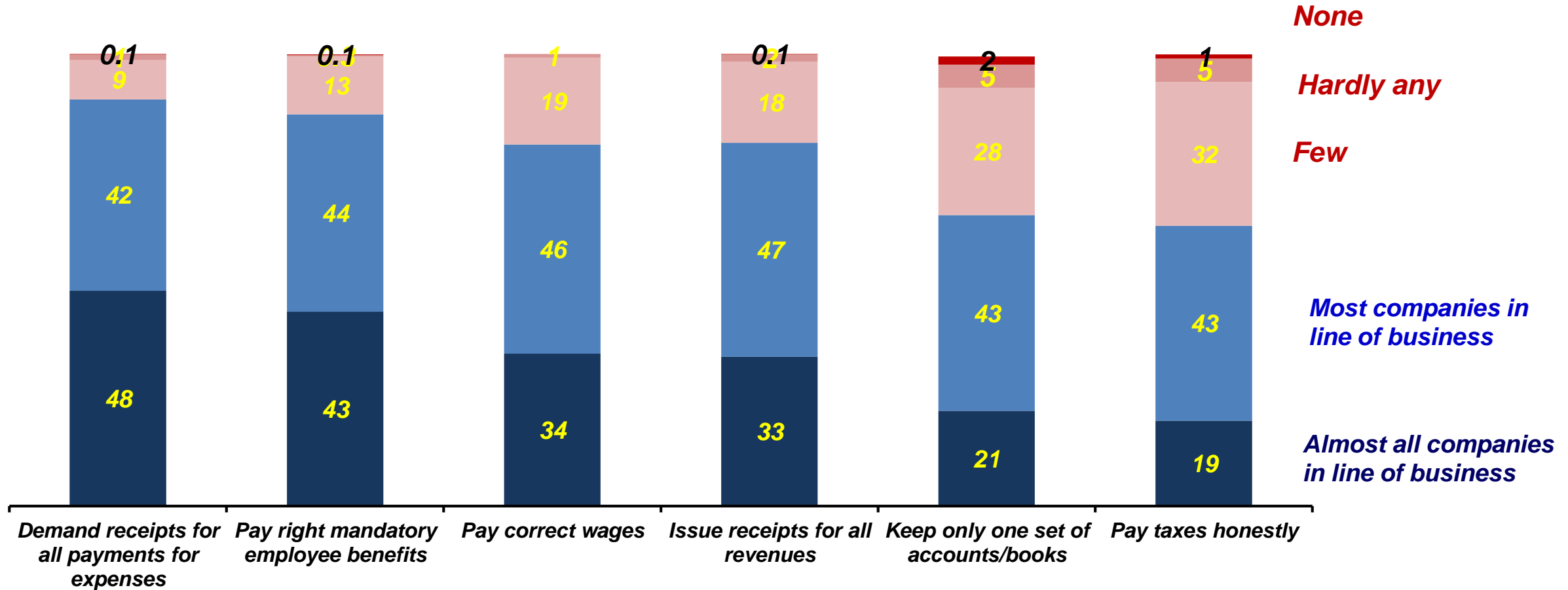


Q105. In the last 2 years, how much, more or less, did your company contribute to any private anti-corruption program? Total amount over the last 2 years: PhP

9) *HONEST BUSINESS PRACTICES*

NUMBER OF COMPANIES IN OWN LINE OF BUSINESS THAT CONDUCT HONEST BUSINESS PRACTICES, 2016

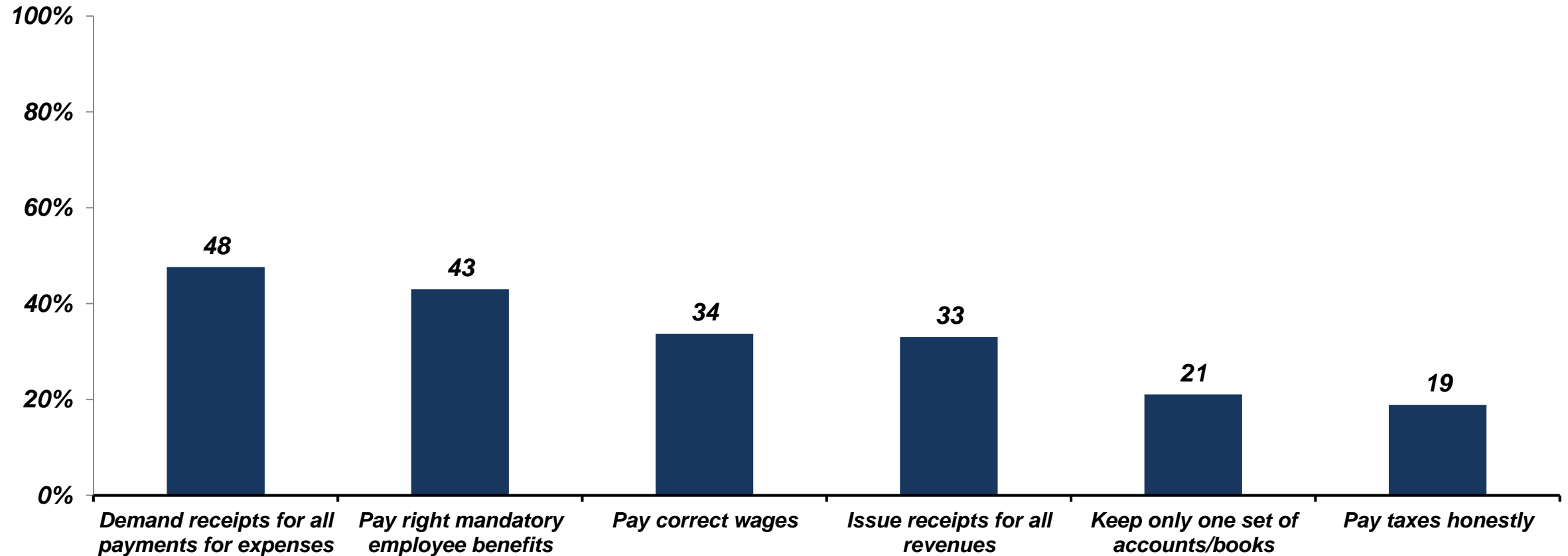
Base: Total Who Say There Is Corruption in the Private Sector



Q60-63. In your sector of business, how many companies do you think ... [PAY TAXES HONESTLY; ISSUE RECEIPTS FOR ALL REVENUES; KEEP ONLY ONE SET OF ACCOUNTS/BOOKS; DEMAND RECEIPTS FOR ALL PAYMENTS FOR EXPENSES; PAY THE RIGHT CONTRIBUTIONS TO FOR MANDATORY BENEFITS FOR EMPLOYEES, SUCH AS SSS, PHILHEALTH O HDMF; PAY THE CORRECT WAGES OF THEIR EMPLOYEES]?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS CONDUCT HONEST BUSINESS PRACTICES, 2016

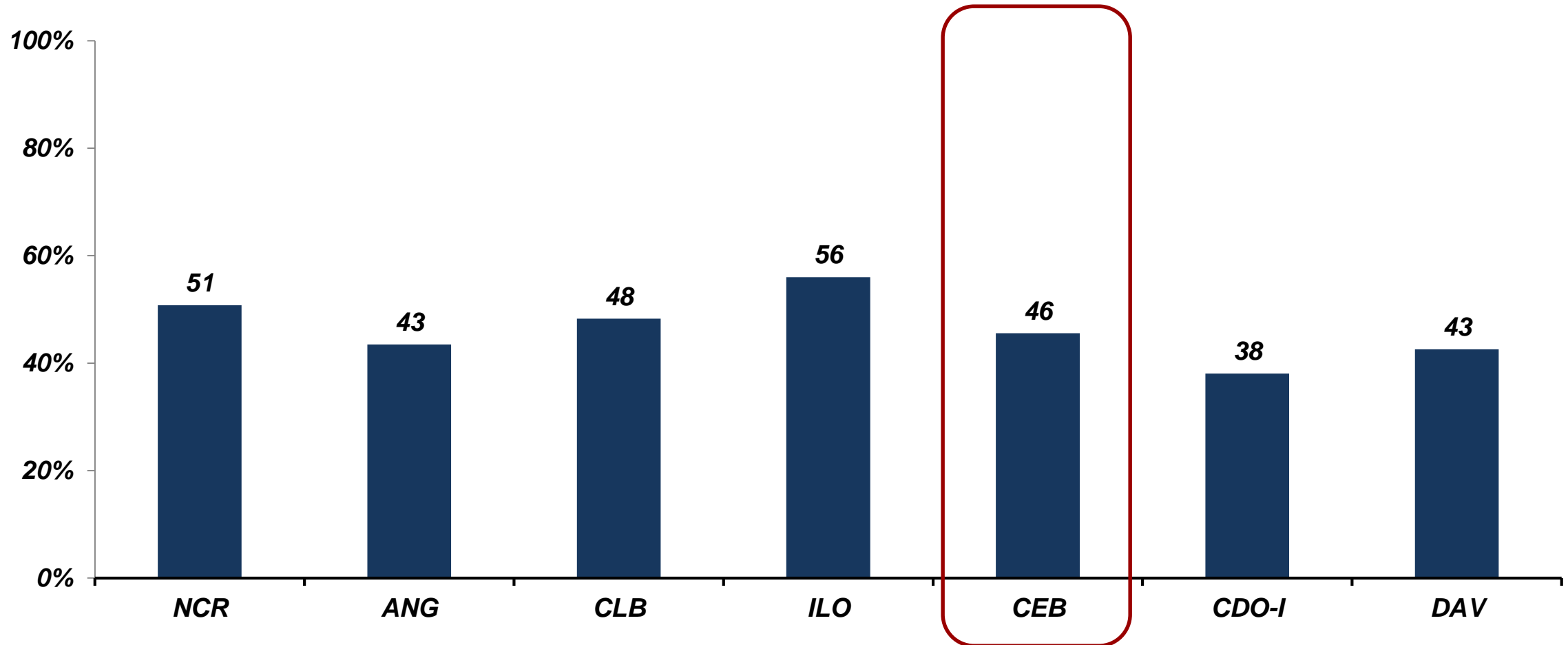
Base: Total Who Say There Is Corruption in the Private Sector



Q60-63. In your sector of business, how many companies do you think ... [PAY TAXES HONESTLY; ISSUE RECEIPTS FOR ALL REVENUES; KEEP ONLY ONE SET OF ACCOUNTS/BOOKS; DEMAND RECEIPTS FOR ALL PAYMENTS FOR EXPENSES; PAY THE RIGHT CONTRIBUTIONS TO FOR MANDATORY BENEFITS FOR EMPLOYEES, SUCH AS SSS, PHILHEALTH O HDMF; PAY THE CORRECT WAGES OF THEIR EMPLOYEES]?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS DEMAND RECEIPTS FOR ALL PAYMENTS, BY AREA, 2016

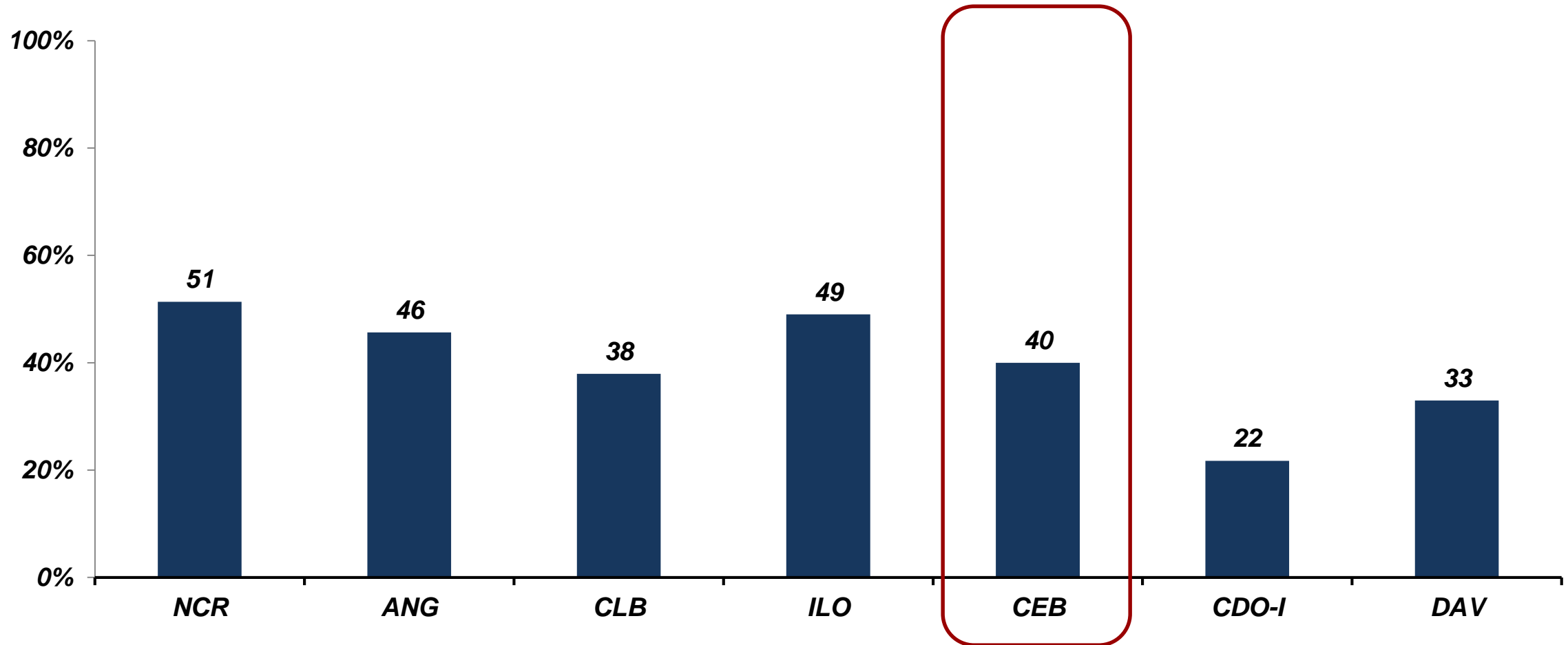
Base: Total Who Say There Is Corruption in the Private Sector



Q68. In your sector of business, how many companies do you think demand receipts for all payments for expenses?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS PAY THE RIGHT MANDATORY EMPLOYEE CONTRIBUTIONS, BY AREA, 2016

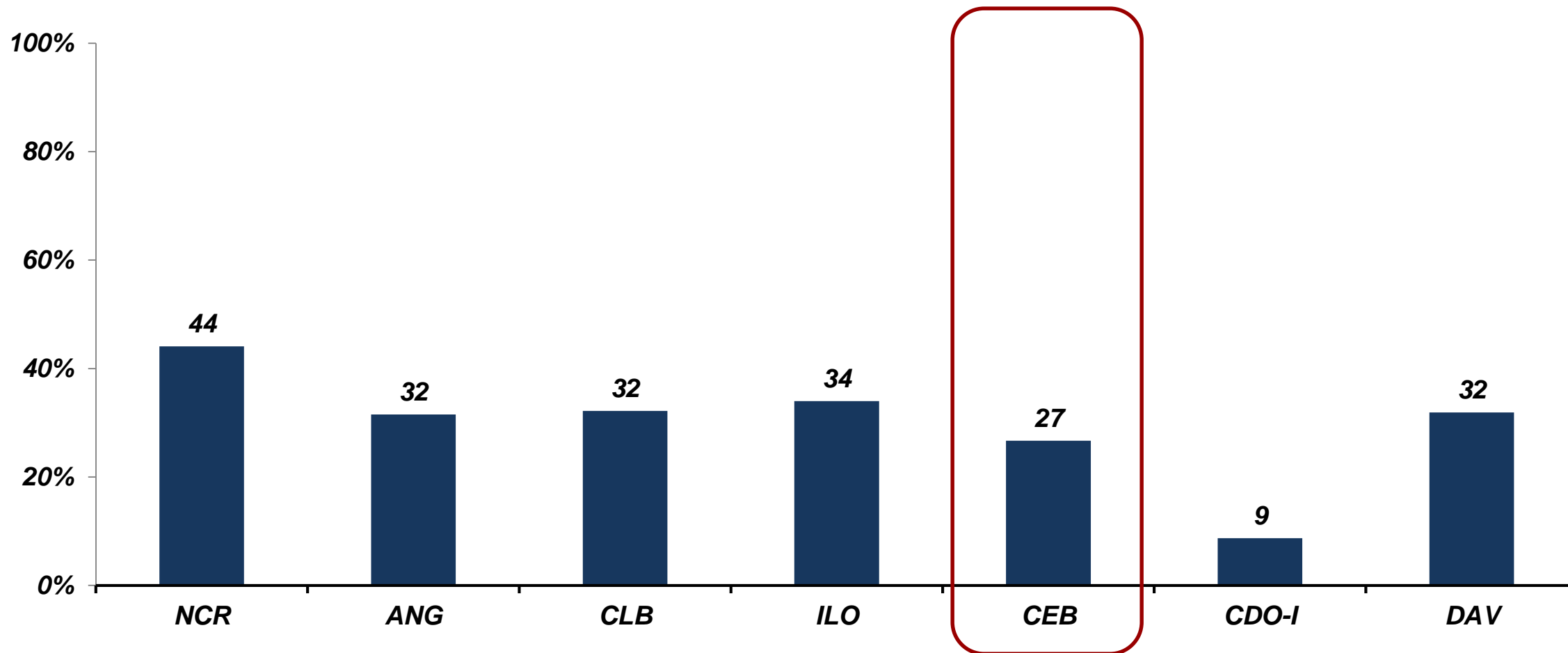
Base: Total Who Say There Is Corruption in the Private Sector



Q69. In your sector of business, how many companies do you think pay the right contributions for mandatory benefits for employees, such as SSS, PhilHealth or HDMF?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS PAY THE CORRECT WAGES, BY AREA, 2016

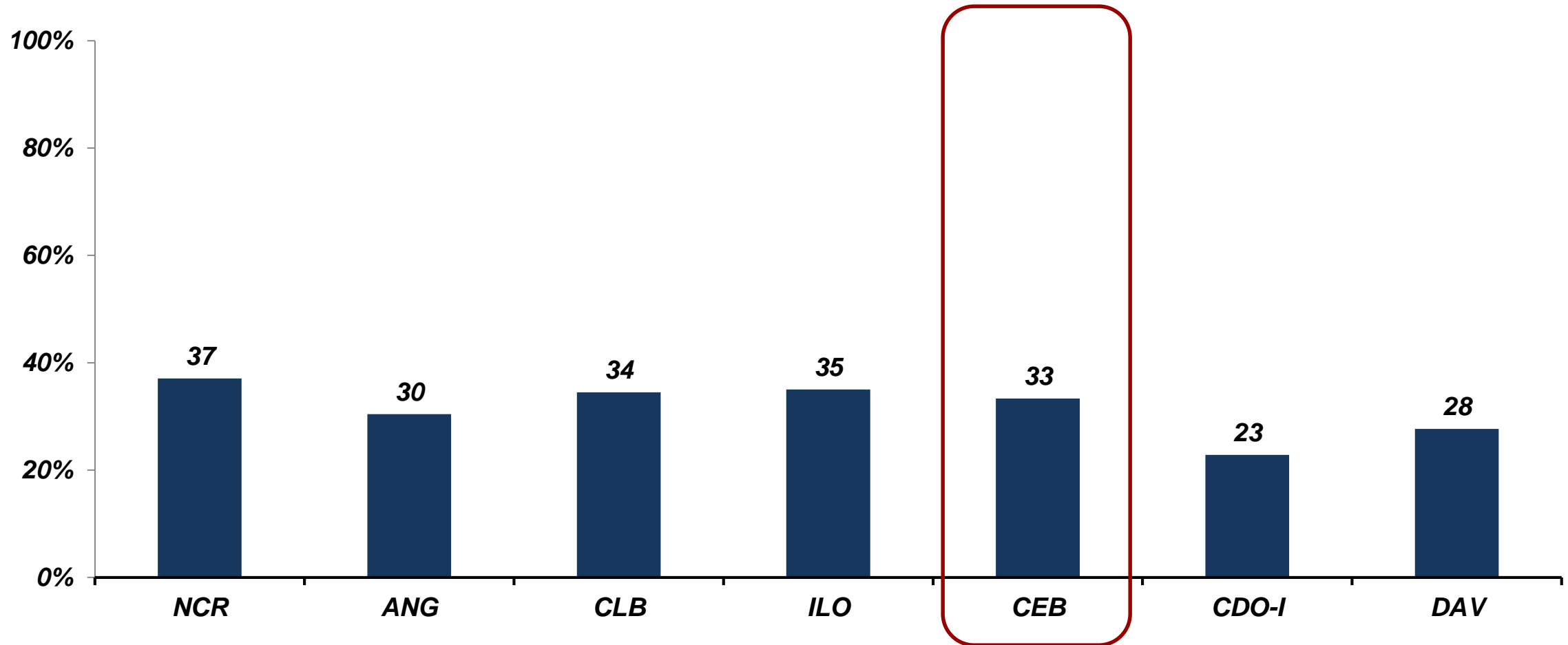
Base: Total Who Say There Is Corruption in the Private Sector



Q70. In your sector of business, how many companies do you think pay the correct wages of their employees?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS ISSUE RECEIPTS FOR ALL REVENUES, BY AREA, 2016

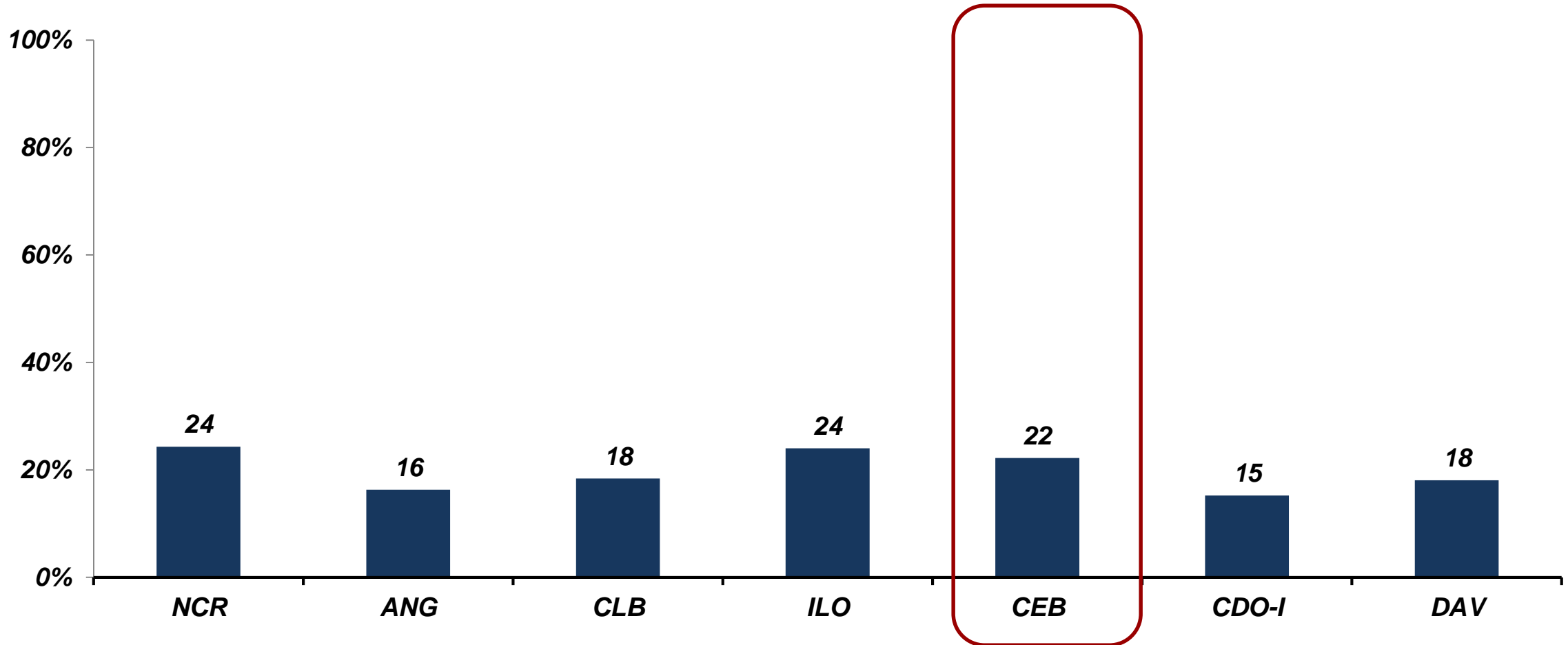
Base: Total Who Say There Is Corruption in the Private Sector



Q66. In your sector of business, how many companies do you think issue receipts for all revenues?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS KEEP ONLY ONE SET OF ACCOUNTS, BY AREA, 2016

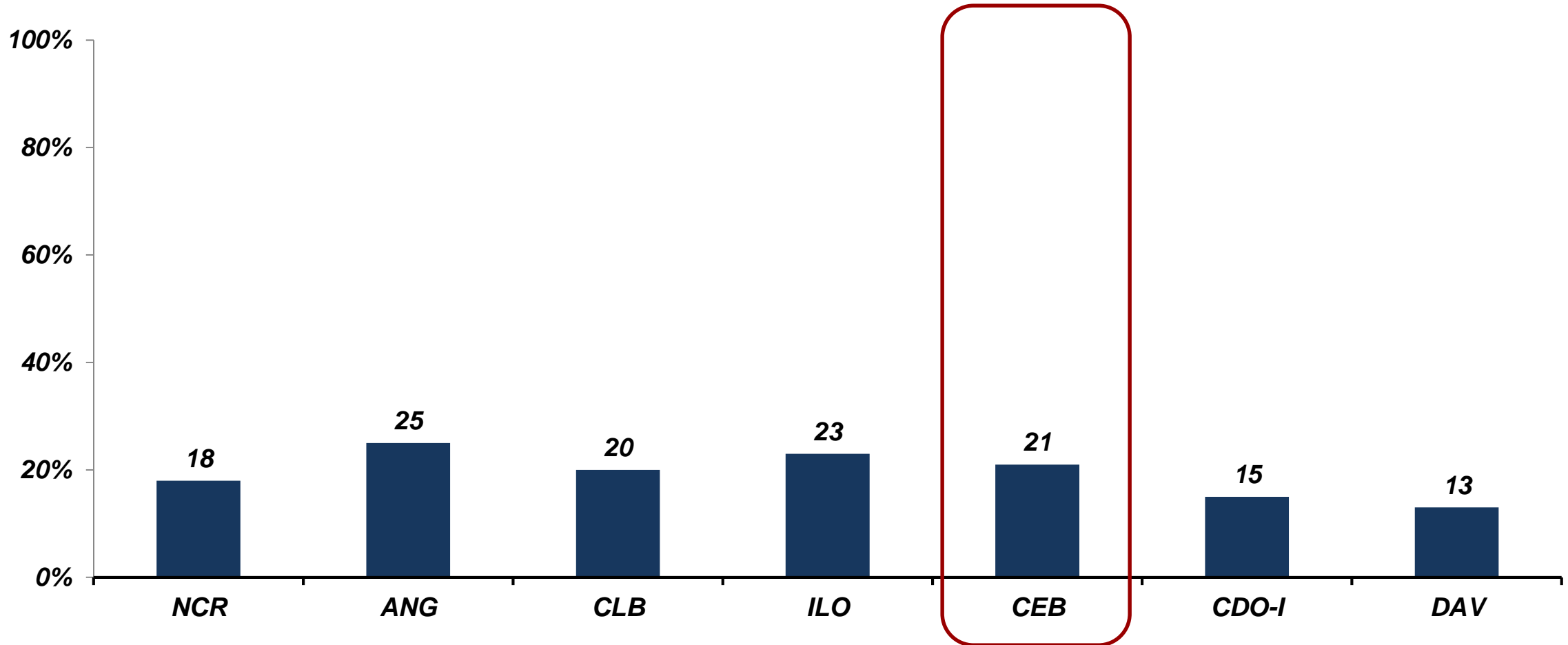
Base: Total Who Say There Is Corruption in the Private Sector



Q67. In your sector of business, how many companies do you think keep only one set of accounts/books?

ALMOST ALL COMPANIES IN MY LINE OF BUSINESS PAY TAXES HONESTLY, BY AREA, 2016

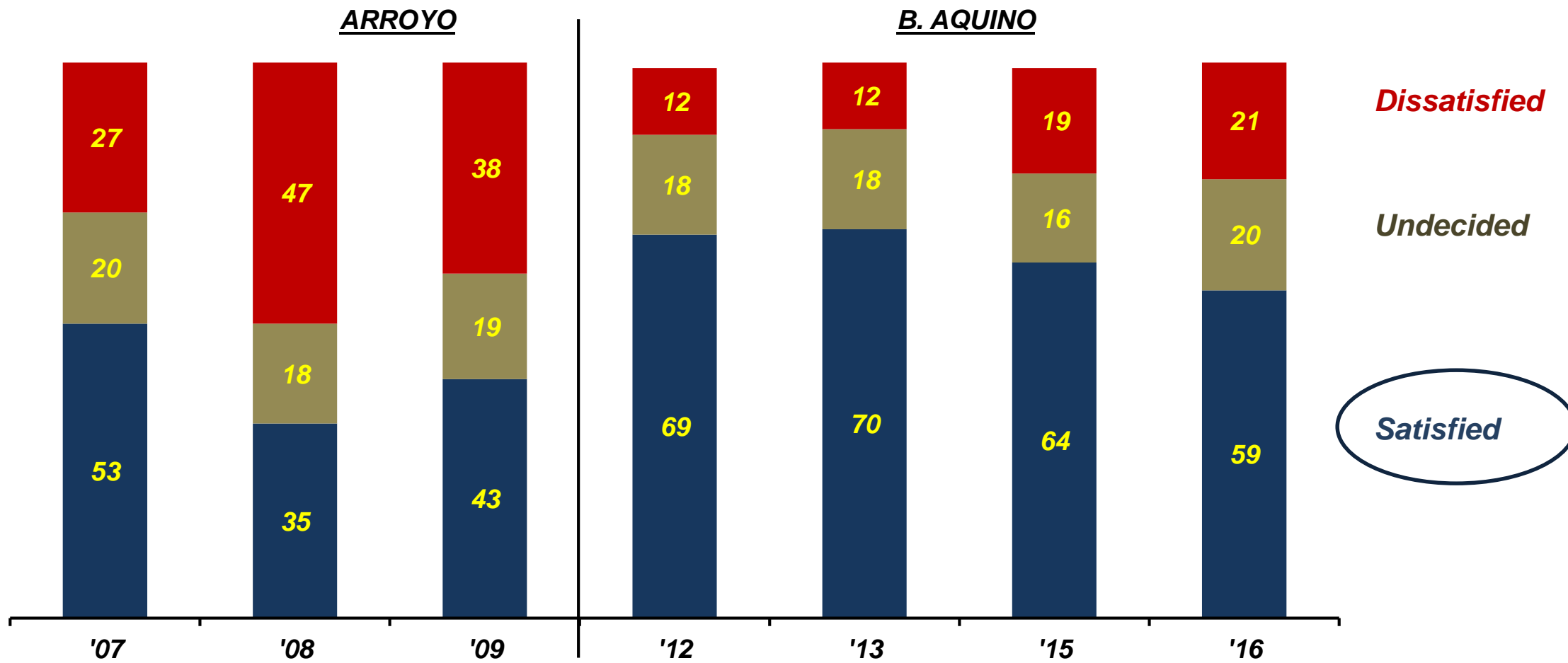
Base: Total Who Say There Is Corruption in the Private Sector



Q65. In your sector of business, how many companies do you think pay taxes honestly?

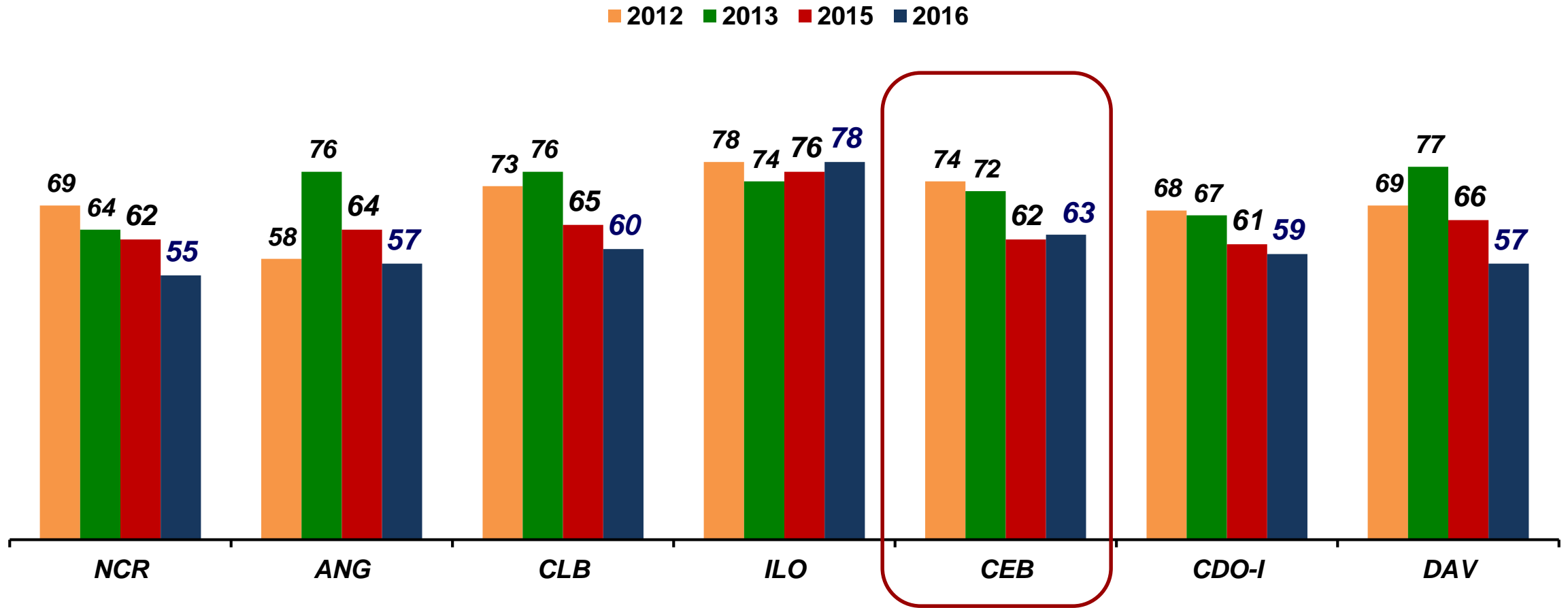
9) *THE BUSINESS CLIMATE*

SATISFACTION WITH THE NATIONAL GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, 2007 – 2016



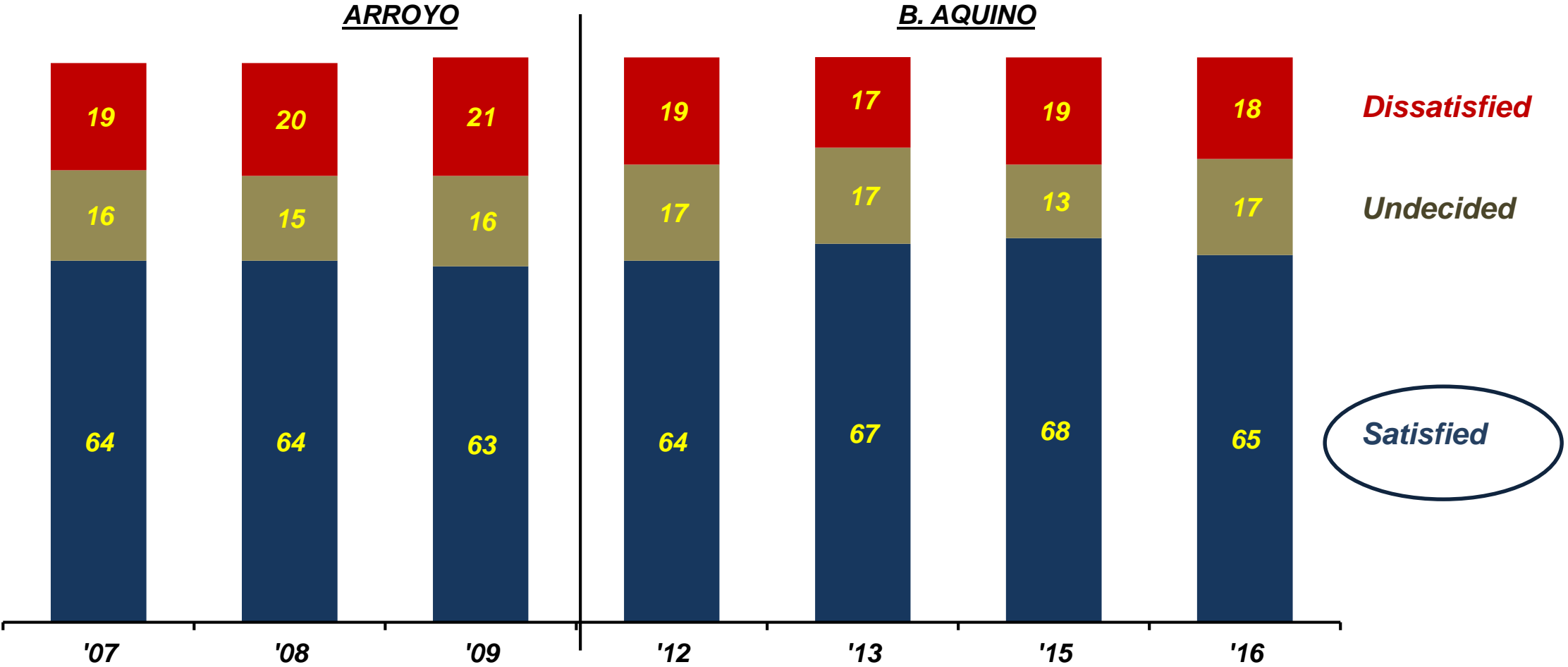
Q136. How satisfied or dissatisfied are you with the National Government's performance in promoting a good climate for business in the Philippines?

% SATISFIED WITH THE NATIONAL GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, 2012 – 2016



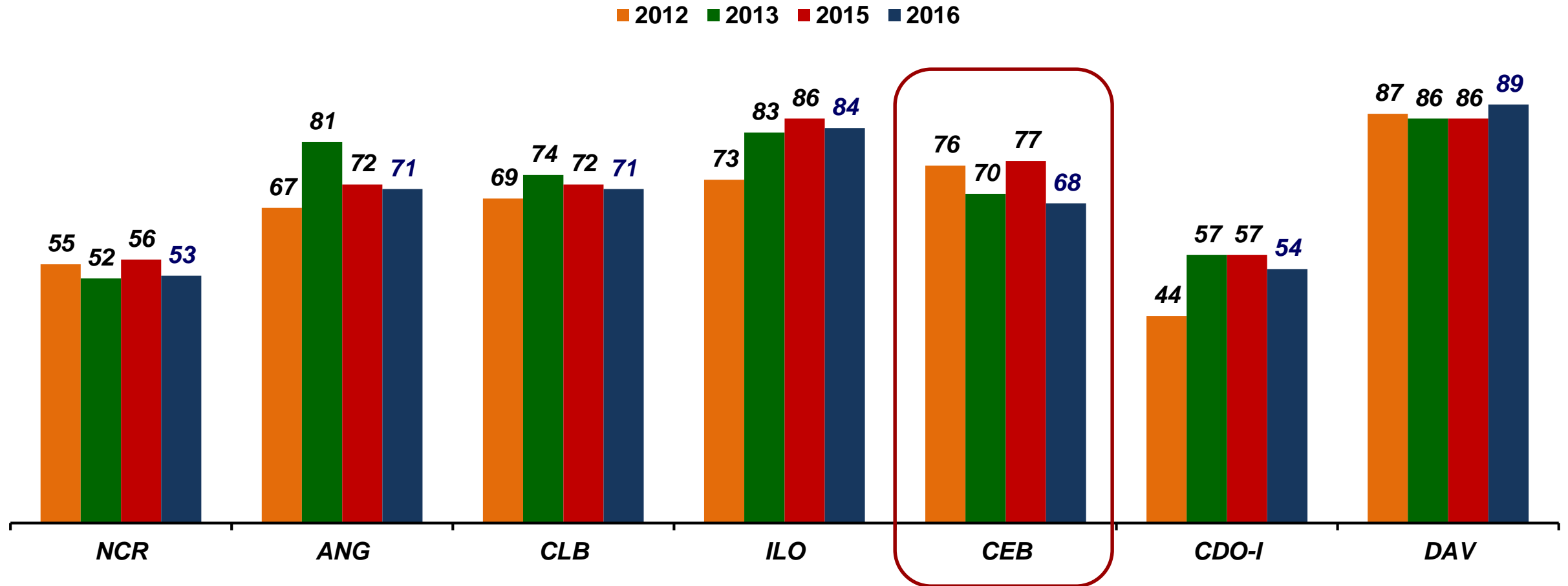
Q136. How satisfied or dissatisfied are you with the National Government's performance in promoting a good climate for business in the Philippines?

SATISFACTION WITH OWN CITY GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, 2007 – 2016



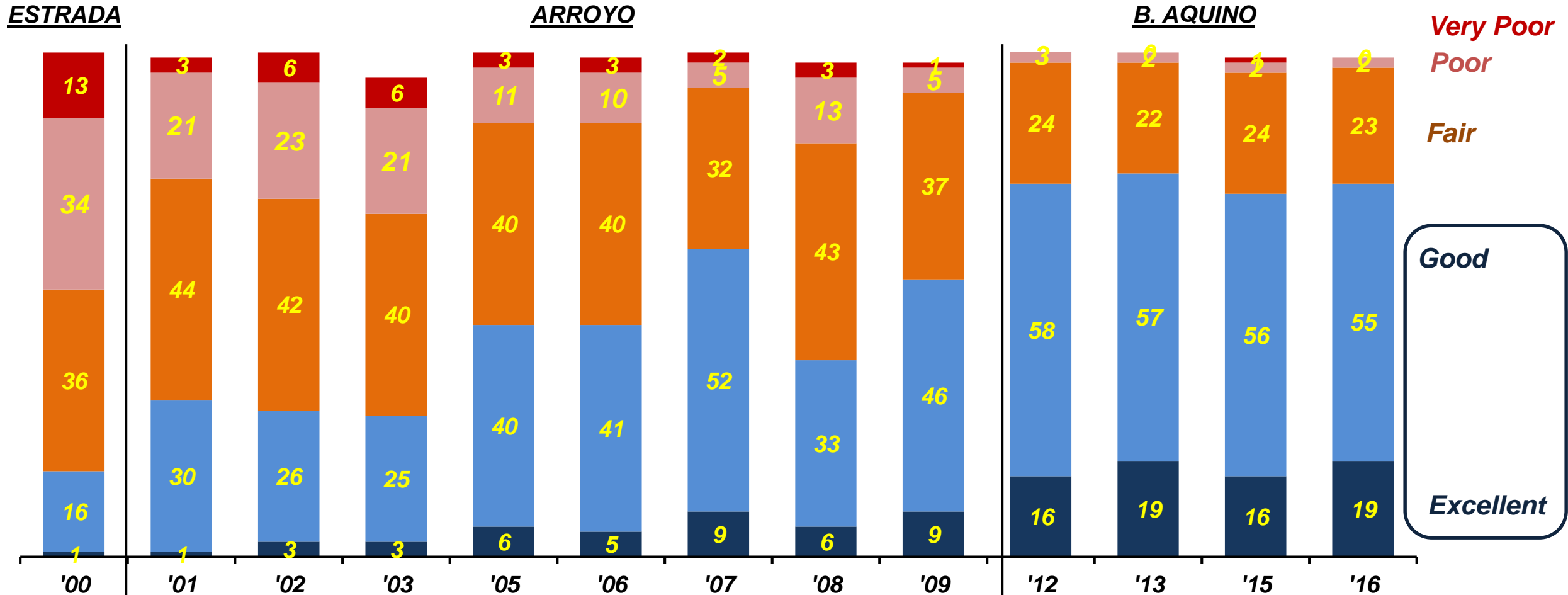
Q137. How satisfied or dissatisfied are you with the City/Municipal Government’s performance in promoting a good climate for business in this City/Municipality.?

% SATISFIED WITH OWN CITY GOVERNMENT IN PROMOTING A GOOD BUSINESS CLIMATE, BY AREA, 2012 – 2016



Q137. How satisfied or dissatisfied are you with the City/Municipal Government's performance in promoting a good climate for business in this City/Municipality.?

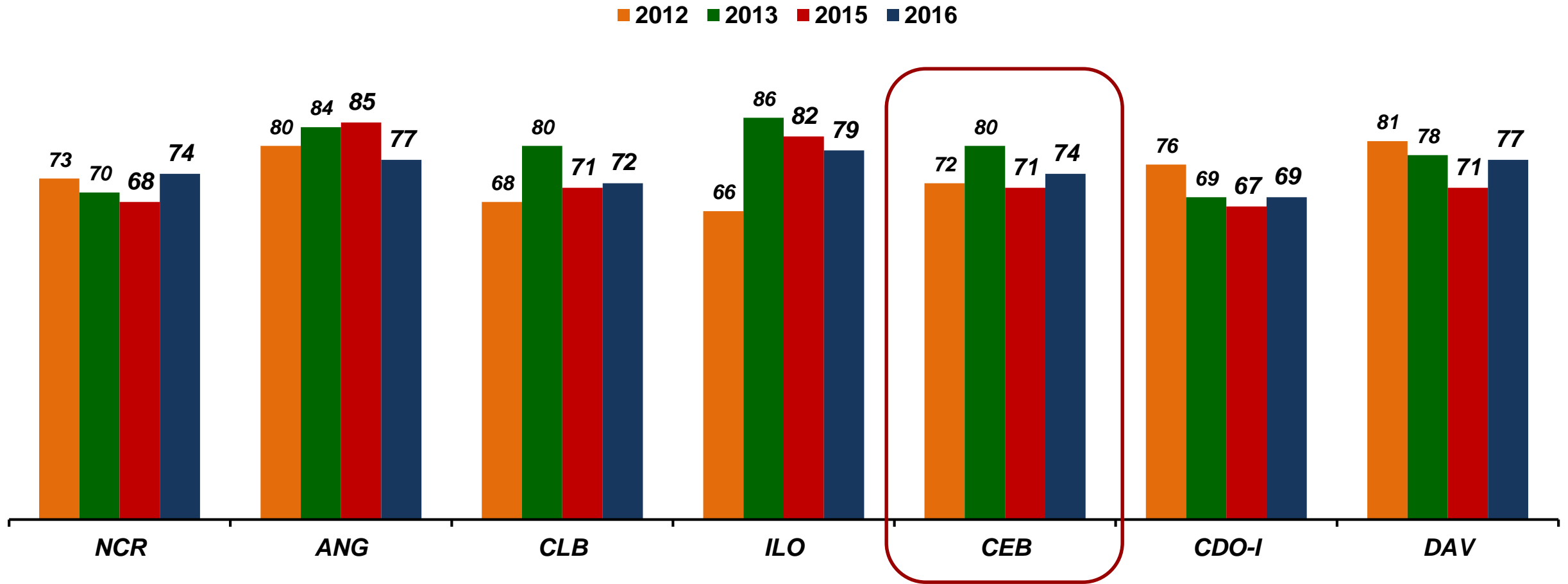
BUSINESS EXPECTATIONS IN THE NEXT 2 YEARS, 2000 – 2016



Very Poor
Poor
Fair
Good
Excellent

Q138. In the next 2 years, do you expect that business conditions will be...?

% EXCELLENT/GOOD BUSINESS EXPECTATIONS IN THE NEXT 2 YEARS, BY AREA, 2016



Q138. In the next 2 years, do you expect that business conditions will be...?

Summary of Findings (1):

- **There have been 13 SWS Survey of Enterprises on Corruption since 2000: 9 rounds in 2000-09; none in 2010-11; 4 rounds in 2012-16.**
- **General picture of last four years: the effort against corruption started very well, and was maintained up to 2015. But there was backsliding in 2016.**
- **63% see “a lot” of public sector corruption. Up from 56% in 2013; disappointingly far above the record-low 43% in 2012. A return to the 60-77% range under GMA; equal to the 63% in 2000 under Erap.**
- **35% have personal knowledge of a corrupt transaction with government in the last 3 months in their line of business. Up from record low 32% in 2015. Was 33-38% under BSA, or superior to 37-44% under GMA.**

Summary of Findings (2):

- **42%** say most companies in their sector of business give bribes to win public sector contracts. Up from record low 39% in 2015. Was 39-42% under BSA, superior to 45-57% under GMA.
- Status indicators: 2016 ratings of sincerity of 35 institutions in fighting corruption: **19 favorable**, **8 neutral**, **8 unfavorable**; net +11. (Lower status than 2015 ratings of 36 institutions: **21 favorable**, **9 neutral**, **6 unfavorable**; net +15.)
- Trend indicators: 2015-16 movements in 35 ratings: **4 upgrades**, **18 no-change**, **13 downgrades**; net -9 (Poorer trend than 2014-15 movements in 36 ratings: **8 upgrades**, **19 no-change**, **7 downgrades**; 2 first-time; net +1.)
- Notable cases of backsliding in 2016: **DOTC (Poor -25)**, **LTO (Bad -47)**, **BIR (Poor -27)** and **BOC (Very Bad -68)**.

Summary of Findings (3):

- **New high 67%** say “the government can be run without corruption.” (Improved on 2015 record 62%)
- **51% disagree** that “the present laws to fight corruption in our country are already adequate.” (Maintenance of 2015 record high)
- **Record high 73% disagree** that they cannot do anything to reduce corruption in government (i.e. personal efficacy is at a very high level). (Was 67% in 2015)
- **13%** say that government “often/almost always” punishes corrupt government officials. (Record low 11% in 2015, record high 27% in 2012; no pre-BSA surveys.)
- **87% agree** that “Corruption will be reduced by the passage of a strong law on the right of the people to information from the government.” (90% in 2015; 78% in 2009.)

Summary of Findings (4):

- **75%** say transaction procedures of city/municipal gov't offices are somewhat/definitely transparent. (Record 79% in 2015, low 73% in 2012, 74% in 2009.)
- **58%** say the process of business permits/licenses renewal is easier now than 3 years ago. (55-59% under BSA; 57% under GMA.)
- **83%** use the internet to transact with government. (75% in 2015; 39% in 2007.)
- Being solicited for a bribe rose to **49%**. (44-50% under BSA; 60-71% under GMA.)
- **Only 10%** of those solicited for a bribe reported it. (9-14% under BSA; 7-14% under GMA.)

Summary of Findings (5):

- **26%** say most companies in their line of business give bribes to win private sector contracts. (23-27% under BSA; 22-30% under GMA; 24% under Erap.)
- **81%** disagree that “to prosper in business in the Philippines today, one has to be corrupt.” (Up from 78% in 2015 and 74% in 2006.)
- **73%** say that cheating the government for the benefit of the company is always wrong. (68% in 2015; also 73% in 2006.)
- The best ways for businesses to fight corruption are still: (a) never pay bribes, (b) use honest business practices, (c) know the laws/rules -- far more acceptable than: (d) going to the Ombudsman, (e) going to mass media, (f) joining an anti-corruption CSO, and (f) campaigning against corrupt candidates.
- **60%** say that corrupt executives in their own sector of business are often punished. (55-60% under BSA; superior to 45-54% under GMA.)

Summary of Findings (6):

- **84%** did not contribute in the last 2 years to any private anti-corruption program. (Equals 2015 record high; 76-84% under BSA; 78-81% under GMA.)
- Honest business practices still leave much to be desired: only 48% expect receipts for their payments; only 43% give full employee benefits; only 34% pay correct wages; only 33% issue receipts; only 21% keep one set of books; only 19% pay taxes honestly.
- **59%** are satisfied with the national government's performance in promoting a good business climate. (59-70% under BSA; superior to 35-53% under GMA.)
- **65%** are satisfied with their city government's performance in promoting a good business climate. (64-68% under BSA; 63-64% under GMA.)
- **74%** have good/excellent expectations for business in the next 2 years. (72-76% under BSA; 28-61% under GMA; 17% under Erap in 2000.)

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THE 2016 SURVEYS OF ENTERPRISES ON CORRUPTION

February 2 to May 6, 2016

THE SWS MISSION IS TO GENERATE DATA -

- ✓ to help eyes to see - Education***
- ✓ to cause hearts to feel - Conscientization***
- ✓ to help minds to understand - Analysis***

Quot homines tot sententiae
As Many Opinions As There are People