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Republic of the Philippines
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO
Ministry of Finance, and Budget and Management
Bangsamoro Government Center, Rosary Height VII, Cotabato City

BANGSAMORO BUDGET CIRCULAR

No. 2021-11

November 12, 2021

TO : All Heads of Ministries, BTA Parliament, and Offices of the Bangsamoro Government, Human Resource Management Officers; and All Others Concerned

SUBJECT : GUIDELINES ON THE GRANT OF THE PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI) TO GOVERNMENT EMPLOYEES FOR FISCAL YEAR (FY) 2021 AND YEARS THEREAFTER

1.0 BACKGROUND

This Circular is issued to prescribe the rules and regulations on the grant of the **PEI to government personnel for FY 2021 and years thereafter**; pursuant to Executive Order (EO) No. 201, s. 2016 entitled, "Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits for Both Civilian and Military and Uniformed Personnel," as approved by the President on February 19, 2016.

Section 6 of the EO states; to wit:

"Beginning FY 2016, the Productivity Enhancement Incentive shall be given not earlier than December 15 of every year to all qualified government employees at Five Thousand Pesos (P5,000) each for the purpose of improving the government employees' productivity."

2.0 COVERAGE

This Circular shall apply to all positions of civilian personnel, whether regular, casual, or contractual in nature, appointive or elective, full-time or part-time, now existing or hereafter created in the Bangsamoro Government.

3.0 EXCLUSIONS

Excluded from the coverage of this Circular are those hired without employee-employer relationships and funded from non-Personnel Services appropriations/budgets, as follows:

- 3.1 Consultants and experts hired for a limited period to perform specific activities or services with expected outputs;
- 3.2 Laborers hired through job contracts (pakyaw) and those paid on piecework basis;
- 3.3 Student workers and apprentices; and
- 3.4 Individuals and groups of people whose services are engaged through job orders, contract of services, or others similarly situated.

4.0 GUIDELINES ON THE GRANT OF THE PRODUCTIVITY ENHANCEMENT INCENTIVE

- 4.1 The **Productivity Enhancement Incentive of P5,000** shall be given to personnel **not earlier than December 15 of the current year**, subject to the following conditions:
 - 4.1.1 The employees are still in the service as of **November 30** of the current year; and
 - 4.1.2 The employees have rendered at least a total or an aggregate of **four (4) months** of at least satisfactory service as of November 30 of the current year, including leaves of absence with pay.
- 4.2 Those who have rendered less than the total or aggregate of four (4) months of service but still in the service as of November 30 of the current year shall be entitled to pro-rated PEI, as follows:

Length of Service	Percentage of the PEI
3 months to less than 4 months	50%
2 months to less than 3 months	40%
1 month to less than 2 months	30%
Less than 1 month	20%

- 4.3 The PEI of an employee on part-time basis shall be pro-rated corresponding to the services rendered. If employed on part-time basis with two (2) or more Ministries/Offices, an employee shall be entitled to proportionate amounts corresponding to the services in each Ministry/Office, provided that the total PEI shall not exceed the authorized amount.
- 4.4 The PEI of an employee who transferred from one Ministry/Office to another shall be granted by the new Ministry/Office.
- 4.5 The PEI of an employee on detail to another Ministry/Office shall be granted by the parent Ministry/Office.
- 4.6 A compulsory retiree, on service extension as of November 30 of the current year, may be granted the PEI, subject to the pertinent conditions and guidelines under this Circular.

4.7 Personnel Charged with Administrative and/or Criminal Cases

Personnel who were formally charged with administrative and/or criminal cases, which are still pending for resolution, shall be entitled to PEI until found guilty by final and executory judgment, provided that:

- 4.7.1 Those found guilty shall not be entitled to PEI in the year of finality of the decision. The personnel shall return the PEI received for that year.
- 4.7.2 If the penalty imposed is only a reprimand, the personnel concerned shall be entitled to the PEI.

5.0 FUND SOURCE

- 7.1 The amounts required for the payment of the PEI shall be charged against Ministry/Office appropriations in the annual General Appropriations Act of the Bangsamoro (GAAB).

6.0 WHEN TO PAY THE PEI

Payment of the PEI shall be made **not earlier than December 15** of the current year.

7.0 RESPONSIBILITY OF MINISTRIES/OFFICES

Ministries/Offices shall be responsible for the proper implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment not in accordance with the provisions of this Circular, without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

8.0 RESOLUTION OF CASES

Cases not covered by the provisions of this Circular shall be referred to the MFBM for resolution.

9.0 EFFECTIVITY

This Circular shall take effect immediately.

