



Republic of the Philippines
NATIONAL PRIVACY COMMISSION

PRIVACY COMMISSION
ORDER No. 001

SUBJECT: Guidelines on the Sworn Statement of Assets, Liabilities, and Net Worth (SALN) and Disclosure of Business Interests and Financial Connections

In the interest of service, the National Privacy Commission hereby adopt guidelines on review and submission of the SALN of all Officials and Employees of the Commission.

This Order shall take effect immediately.


RAYMUND ENRIQUEZ LIBORO
Privacy Commissioner and Chairman

Reference No: HR DD- 19. 00411

Date: 21 MAR 2019



Republic of the Philippines
NATIONAL PRIVACY COMMISSION

**National Privacy Commission Guidelines on the
Sworn Statement of Assets, Liabilities, and Net Worth (SALN) and
Disclosure of Business Interests and Financial Connections**

WHEREAS, Section 17, Article XI of the 1987 Constitution requires public officers and employees to submit, upon assumption to office and during such period as may be required by law, a declaration under oath of their assets, liabilities and net worth;

WHEREAS, Section 8 of Republic Act No. (R.A.) 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) provides that public officials and employees are obliged to accomplish and submit declarations under oath of their assets, liabilities, net worth and financial and business interests, including those of their spouses and unmarried children under 18 years of age living in their households;

WHEREAS, Section 10 of R.A. 6713 provides that the designated Committees of both Houses of the Congress and the heads of agencies of the executive and judicial departments shall establish procedures for the review of statements to determine whether said statements have been submitted on time, are complete, and in proper form;

WHEREAS, Civil Service Commission (CSC) Resolution No. 1300455 dated 4 March 2013 requires every office/agency to have a Review and Compliance Committee, which shall receive the SALN and evaluate whether the same has been submitted on time, complete and in proper form;

NOW THEREFORE, the National Privacy Commission (NPC) adopts the following guidelines in the submission of the SALN by the NPC officials and employees.

**I.
PURPOSE**

To direct all NPC officials and employees to declare and submit an annual true, detailed, and sworn statement of their assets, liabilities, and net worth, including disclosure of business interests and financial connections, and to declare to the best of their knowledge their relatives in the government service.

II. COVERAGE

These guidelines shall apply to all NPC officials and employees holding career positions, including those under temporary status, new appointees, and those separating from the service. These guidelines shall not apply to those serving in an honorary capacity, laborers, and casual or temporary workers.

III. DEFINITION OF TERMS

- a. Acquisition Cost is the amount of money paid to acquire or own something. This shall also refer to the amount of expenses incurred for improvements introduced on a real property.
- b. Affinity refers to the relationship of a husband to the blood relatives of his wife, or a wife to the blood relatives of her husband.
- c. Agricultural Land is land devoted principally to the planting of trees, raising of crops, livestock and poultry, dairying, salt making, inland fishing, and similar aquacultural activities, and other agricultural activities. It does not include those classified as mineral, timber, residential, commercial, or industrial land.
- d. Assessed value refers to the amount indicated in the tax declaration of the real property involved.
- e. Assets refer to the declarant's real and personal properties, including those of the spouse and unmarried children below 18 years of age living in the household. Assets include those within or outside of the Philippines, whether used in trade or business.
- f. *Balae* refers to a parent of the declarant's son-in-law or daughter-in-law.
- g. *Bilas* refers to a declarant's brother-in-law's wife or sister-in-law's husband.
- h. Business Interests refer to declarant's existing interest in any business enterprise or entity, aside from income from government, and shall also include those of the spouse and unmarried children below 18 years of age living in the household.
- i. Capital Property refers to the properties owned exclusively by the husband.
- j. Commercial Land is land devoted principally for the object of profit, and is not classified as agricultural, industrial, mineral, timber, or residential land.
- k. Community Property refers to all the properties owned by the spouses at the time of the celebration of the marriage or acquired thereafter, subject to the exceptions

provided for by law. In the absence of any marriage settlement, the property relations of the spouses shall be governed by the rules on absolute community of property under the Family Code of the Philippines. The following are excluded from the community property:

- Property acquired during the marriage by gratuitous title by either spouse, and the fruits as well as the income thereof, if any, unless it is expressly provided by the donor, testator, or grantor that they shall form part of the community property;
 - Property for personal and exclusive use of either spouse. However, jewelry shall form part of the community property; and
 - Property acquired before the marriage by either spouse who has legitimate descendants by a former marriage, and the fruits as well as the income, if any, of such property.
1. Conjugal Property refers to all properties acquired during the marriage, whether the acquisition appears to have been made, contracted, or registered in the name of one or both spouses, unless proven to be excluded. This applies when the spouses agreed to be governed by the rules on the conjugal partnership of gains under the Family Code of the Philippines. Prior to the enactment of the Family Code of the Philippines in 1987, where there is no marriage settlement between the spouses, their property relations are covered by the rules on conjugal partnership of gains. The following are conjugal partnership properties:
- Those acquired by onerous title during the marriage at the expense of the common fund, whether the acquisition be for the partnership or for only one of the spouses;
 - Those obtained from the labor, industry, work, or profession of either or both spouses;
 - The fruits – natural, industrial, or civil – due or received during the marriage from the common property, as well as the net fruits from the exclusive property of each spouse;
 - The share of either spouse in the hidden treasure which the law awards to the finder or owner of the property where the treasure is found;
 - Those acquired through occupation, such as fishing or hunting;
 - Livestock existing upon the dissolution of the partnership in excess of the number of each kind brought to the marriage by either spouse; and

- Those which are acquired by chance, such as winnings from gambling or betting. However, losses therefrom shall be borne exclusively by the loser-spouse.
- m. Consanguinity refers to the relationship by blood from the same stock or common ancestor.
 - n. Fair Market Value refers to the amount indicated as market value in the tax declaration of the real property involved.
 - o. Financial Connections refer to declarant's existing connections with any business enterprise or entity, whether as a consultant, adviser and the like, with an expectation of remuneration for services rendered, including those of the spouse and unmarried children below 18 years of age living in the household.
 - p. Improvements refer to all works that are constructed or introduced to the land, or repairs or improvements made to the land or building after its initial acquisition.
 - q. Industrial Land is land devoted principally to industrial activity as capital investment, and is not classified as agricultural, commercial, timber, mineral, or residential land.
 - r. *Inso* refers to the appellation for the wife of an elder brother or male cousin.
 - s. Liability refers to financial liability or anything that can result to a transfer or disposal of an asset. It includes not only those incurred by the declarant but also those of the spouse and unmarried children below 18 years of age living in the household.
 - t. Living in the Household refers to actual presence in the residence of the declarant. The assets, liabilities and net worth including a disclosure of business interests and financial connections of unmarried children below 18 years of age, who are supported by the declarant but living outside the household due to studies, should not be included in the declarant's SALN.
 - u. Nature of Business Interest and/or Financial Connection refers to existing interest or connection in any business enterprise, whether as a proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, financial or business consultant, and the like.
 - v. Nature of Liability refers to the type of loan obtained from banks, financial institutions, GSIS, PAG-IBIG, and others such as personal, multi-purpose, salary, calamity loan, and the like.
 - w. Net Worth is the sum of all assets (real and personal) less total liabilities.

- x. Outstanding Balance refers to the amount of money that the declarant still owes on the loan or is still due as of December 31 of the preceding calendar year.
- y. Paraphernal Property refers to the properties owned exclusively by the wife.
- z. Personal Property refers to jewelry, appliances, furniture, motor vehicles, and other tangible/movable properties. This shall also include investments or other assets, such as cash on hand or in bank, negotiable instruments, securities, stocks, bonds, and the like.
- aa. Real Property refers to properties which are immovable by nature. For purposes of the SALN, real properties are classified according to their use; that is, residential, commercial, agricultural, industrial, or mixed use and the like.
- bb. Relatives in the Government refer to the declarant's relatives up to the fourth civil degree of relationship, either by consanguinity or affinity, including *bilas*, *inso*, and *balae*.
 - Relatives in the first degree of consanguinity include the declarant's father, mother, son, and daughter. Relatives in the first degree of affinity include the declarant's father-in-law and mother-in-law.
 - Relatives in the second degree of consanguinity include the declarant's brother, sister, grandmother, grandfather, grandson, and granddaughter. Relatives in the second degree of affinity include the declarant's brother-in-law, sister-in-law, grandmother-in-law, grandfather-in-law, granddaughter-in-law and grandson-in-law.
 - Relatives in the third degree of consanguinity include the declarant's nephew, niece, uncle, and aunt. Relatives in the third degree of affinity include declarant's nephew-in-law, niece-in-law, uncle-in-law, and aunt-in-law.
 - Relatives in the fourth degree of consanguinity include the declarant's first cousin.
- cc. Residential Land is land principally devoted to habitation.

IV. PROCEDURE

A. What to File

1. All NPC officials and employees shall file under oath their SALN using the SALN Form (Revised as of January 2015).

- 1.1 The SALN shall contain a true and complete declaration of assets, liabilities and net worth, including a disclosure of business interests and financial connections of the declarant, the spouse and unmarried children below 18 years of age living in the household. It shall also contain a disclosure of the declarant's relatives within the fourth civil degree of relationship, either by consanguinity and affinity, who are in government service.
- 1.2 For purposes of convenience in the computation of net worth, where the declarant's spouse has capital or paraphernal properties or where the declarant's unmarried children below 18 years of age living in the household have their own properties, the declarant should declare the assets and liabilities of the spouse and unmarried children below 18 years of age living in the household on a separate sheet attached to the SALN Form.

B. When to File

1. The SALN shall be filed within the periods specified below:
 - 1.1 Within thirty 30 days after assumption of office, statements of which must be reckoned as of the first day of service;
 - 1.2 On or before March 15 of every year thereafter, statements of which must be reckoned as of the end of the preceding year; and
 - 1.3 Within thirty days after separation from the service, statements of which must be reckoned as of the last day of service.

C. How to File

1. Basic Information
 - 1.1 Spouses who are both public officers and employees shall have the option to file their SALN either jointly or separately.
 - 1.2 In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital properties, if there are any. After filling out the form, the spouses may reproduce the SALN Form as the number of copies is required, but their signatures should be original in the SALN Form to be submitted to their respective agencies.
 - 1.3 In case the declarant is single or married but whose spouse is not in the government service, the declarant shall tick off the box marked as "Not Applicable."

- 1.4 If the declarant's spouse is working in the private sector, the declarant shall still cause the spouse to sign the SALN.
- 1.5 The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.
- 1.6 The declarant must provide the information required for all unmarried children below 18 years of age, whether legitimate or illegitimate, and living in the household.

2. Real Properties

- 2.1 Declaration of real properties shall include its description, kind, exact location, year and mode of acquisition, assessed value, fair market value, acquisition cost of land, building, etc. including improvements thereon.
- 2.2 The declarant shall indicate a description of the real properties, whether it is a land only or land with building, a house and lot, condominium unit, or an improvement such as an extension or garage, and the like.
- 2.3 In declaring an improvement to the land, the declarant may opt to declare it separately or together with the land to which such improvement is attached.
- 2.4 The declarant shall indicate those real properties which are already titled or registered in his/her name, under the name of the spouse, or under the name of the unmarried children below 18 years of age who are living in the declarant's household. However, real properties already covered by a deed of sale, inherited, or subject of an extrajudicial settlement of estate but not yet titled under declarant's name shall also be disclosed.
- 2.5 Mortgaged properties are already under the name of the declarant. The acquisition cost to be declared shall be the actual purchase price. However, the declarant should declare the outstanding balance of the mortgage loan as of December 31 of the preceding year under *Liabilities*.
- 2.6 No acquisition cost shall be declared for properties received gratuitously, *e.g.*, donation or inheritance. However, the fair market value and the assessed value of said properties as found in the tax declaration thereof must be declared.
- 2.7 In case of inherited properties, even without a transfer of the property under the name of the declarant, the latter shall declare the corresponding share in the inherited properties as assets.

3. Personal Properties

- 3.1 Declaration of personal properties shall include the mode, year, and cost of acquisition, or the value or amount of said personal properties.
- 3.2 The amount to be disclosed for insurance policies shall be the amount already paid.
- 3.3 Pensions received for the year of declaration should be declared as either cash on hand or in bank.
- 3.4 The acquisition cost of shares of stock shall be the total value of the shares of stock as of December 31 of the preceding year.
- 3.5 Earnings and income from other sources shall form part either of the declarant's cash on hand or in bank, which shall be determined as of December 31 of the preceding year.
- 3.6 Personal properties collectively acquired or are of minimal value may be declared generally or collectively according to the nature/kind of the personal property, such as books. The declarant may indicate "various years" under the column for Year Acquired.
- 3.7 The amount of money/cash in bank to be declared should be the last balance as of December 31 of the preceding year.
- 3.8 Personal properties such as cash on hand and in bank, as well as stocks and the like, denominated in foreign currency shall be converted into the corresponding Philippine currency equivalent at the rate of exchange prevailing as of December 31 of the preceding calendar year.
- 3.9 Mortgaged properties are already under the name of the declarant. The acquisition cost to be declared shall be the actual purchase price. However, the declarant should declare the outstanding balance of the mortgage loan as of December 31 of the preceding year under Liabilities.
- 3.10 In case of properties which are co-owned with other individuals, the declarant shall disclose the proportionate amount of the corresponding share in the property.
- 3.11 The amount already paid by declarant for properties subject of a contract to sell shall be declared as personal property.

4. Liabilities

- 4.1 Under liabilities, the nature of liability, name of creditors, and the outstanding balance shall be indicated.
- 4.2 Credit card liabilities and personal loans shall be declared by indicating the outstanding balance as of December 31 of the preceding year.

5. Computation of Net Worth

- 5.1 In the case of real properties, the acquisition cost shall be used in the computation of the net worth. In the case of personal properties, the acquisition cost or amount/value of money shall be used in the computation of the net worth.
- 5.2 The properties of the unmarried children below 18 years of age living in the declarant's household shall be excluded from the computation of the real and personal properties of the declarant.
- 5.3 In case of joint filing, the total assets of the spouses shall include their respective paraphernal or capital properties. The net worth of the spouses shall be the difference between the total assets (real and personal properties) less the total liabilities.
- 5.4 If the spouse of the declarant is not a public officer or employee, or is a public officer or employee but who chose to separately file the SALN, the spouse's paraphernal or capital properties shall not be included in the computation of the declarant's net worth.

6. Financial Connections and Business Interests

- 6.1 The declarant, including the spouse and unmarried children below 18 years of age living in the household, shall declare their existing interest or connection in any business enterprise or entity, aside from income from government. They shall also indicate the business address, nature of business interest and/or financial connection, and date of acquisition of interest or connection.
- 6.2 In case there are no existing business interests and financial connections in any business enterprise or entity, the declarant shall tick off the box in the form indicating "Not Applicable."

7. Relatives in the Government

- 7.1 The declarant shall disclose relatives in the government within the fourth civil degree of relationship, either by consanguinity or affinity. The

disclosure shall also state the relationship, the position of the relative, as well as the name of office/agency and address.

- 7.2 In case of joint filing, the spouses shall indicate all their relatives within the fourth civil degree, either by consanguinity or affinity.
- 7.3 In case the declarant has no relatives in the government within the fourth civil degree of relationship, either by consanguinity or affinity, including *bilas*, *inso*, and *balae*, the declarant shall tick off the box in the form indicating "Not Applicable."

8. Other Matters

- 8.1 The declarant is strictly required to fill all applicable information in the SALN Form. Otherwise, such items should be marked with "N/A" or "Not Applicable." The term "N/A" should be provided in each space. Placing a single "N/A" in all spaces is not acceptable. No unnecessary markings shall be made on the form.
- 8.2 Additional sheets may be used, if necessary. The additional sheets, which shall be signed on each page, shall indicate the name of the declarant, the position and agency name, and the year covered by the SALN.
- 8.3 In order to prevent unauthorized insertions or pulling out of pages, pagination shall read as page 1 of number of pages, page 2 of number of pages, and so on.
- 8.4 Assets and/or properties acquired, donated, or transferred in the name of the declarant for a particular year, but were not declared for that year as they came to knowledge only after the filing of the SALN, must be declared in the declarant's next succeeding SALN.
- 8.5 Filling up of the form may be handwritten, computerized, or typewritten, provided the signature of the declarant is original. The declarant is required to write legibly when filling up the form by handwriting.
- 8.6 In case of joint filing, the declarant and the spouse shall sign in the spaces provided for just below the certification.
- 8.7 The declarant shall cause the spouse, who is not a public officer or employee, to sign the SALN.
- 8.8 Spouses who are separated in fact or legally separated are still considered husband and wife; hence, the declarant's spouse is still required to sign the SALN.

- 8.9 An explanation should be attached to the SALN for noncompliance with the requirement for the spouse's signature.

D. Where to File

1. NPC SALN Review and Compliance Committee (RCC)

- 1.1 The RCC is composed of one chairperson and two members.
- 1.2 The Legal Division, as the secretariat of the RCC, shall be designated and authorized by the Privacy Commissioner to receive the SALN of NPC officials and employees.
- 1.3 The RCC shall evaluate if SALN has been submitted on time, complete, and in proper form.
- 1.4 A SALN is deemed complete when all applicable information or details required therein are provided by the declarant.
- 1.5 The RCC shall prepare a list of the following employees, in alphabetical order, for the Privacy Commissioner on or before April 15 of every year: (a) those who filed their SALN with complete data; (b) those who filed their SALN but with incomplete data; and (c) those who did not file their SALN.
- 1.6 The RCC shall issue a clearance/endorsement for administration of oath. The declarant shall have the option to have the oath administered by the NPC's administering officer or by a notary public.
- 1.7 Submission to the RCC for review of the SALN submitted by new employees and those separating from the service is optional.

2. Human Resource Development Division (HRDD)

- 2.1 The HRDD shall facilitate the administration of oath by the NPC's administering officer, and it shall furnish the employee a copy of the notarized SALN.
- 2.2 The Privacy Commissioner may delegate the authority to administer oath with regard to the SALN Form to a presidential appointee in the NPC. The delegation of the authority to administer oath shall be in writing.
- 2.3 NPC officials and employees who opted to have their oaths administered by a notary public shall submit their notarized SALN to the HRDD.

- 2.4 The HRDD shall transmit, on or before April 30 of every year, all original copies of the SALN received to the concerned repository agencies. The HRDD shall be the official repository of the SALN within the NPC and it shall retain a copy of the SALN in the respective 201 files of the NPC officials and employees.
- 2.5 The SALN of the Privacy Commissioner, Deputy Privacy Commissioners, Executive Director, and Directors IV shall be transmitted to the Office of the President. The SALN of all other NPC employees shall be transmitted to the Civil Service Commission.

3. Privacy Policy

3.1 The RCC, the Secretariat, the HRDD, and the administering officer shall observe organizational, physical and technical security measures in the handling of the SALN, such as, but not limited to, access control policy, retention policy and security policy. Such measures shall be observed in order to preserve the integrity and confidentiality of the SALN from its submission, review, notarization, documentation, and transmittal to the repository agencies.

4. Ministerial Duty of the Privacy Commissioner to Issue Compliance Order

4.1 It shall be the ministerial duty of the Privacy Commissioner to issue, within five days from receipt of the list under Item IV.D.1.4, an order requiring those who have incomplete data in their SALN to correct/supply the desired information, and those who did not file/submit their SALN to comply, within a non-extendible period of 10 days from receipt of said order.

V. PENALTIES

- A. Failure of an official or employee to correct/submit the SALN in accordance with the procedure and within the given period pursuant to the directive in Item IV.D.3.1 shall be a ground for disciplinary action.
- B. The appropriate administrative proceeding shall be commenced and conducted in accordance with the 2017 Rules on Administrative Cases in the Civil Service (2017 RACCS).
- C. Under the 2017 RACCS, the failure to file sworn statements of assets, liabilities and net worth, and disclosure of business interest and financial connections, including those of the spouse and unmarried children under 18 years of age living in the household is classified as a less grave offense punishable by suspension of one

month and one day to six months for the first offense; and dismissal from the service for the second offense.

- D. Heads of agencies/offices who fail to discharge the ministerial duty of issuing compliance orders to those who have incomplete data in their SALN and those who did not file/submit their SALN shall be liable for simple neglect of duty punishable by suspension of one month and one day to six months for the first offense; and dismissal from the service for the second offense.

References:

1987 CONSTITUTION

Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees)

Republic Act No. 10173 (Data Privacy Act of 2012)

CSC Resolution No. 1701077 (2017 Rules on Administrative Cases in the Civil Service [2017 RACCS]) dated 3 July 2017.

CSC Resolution No. 1500088 (Amendment to the CSC Resolution No. 1300173 [January 24, 2013]; Revised SALN Form) dated 23 January 2015.

CSC Resolution No. 1300455 (Review and Compliance Committee for the Statement of Assets, Liabilities and Net Worth [SALN]) dated 4 March 2013.

CSC Resolution No. 1300173 (Use of the Statement of Assets, Liabilities and Net Worth [SALN] Form [For the Year 2012 and Onwards]) dated 24 January 2013.

CSC Memorandum Circular No. 3, s. 2013 (Amendment to the Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Net Worth and Disclosure of Business Interests and Financial Conditions [CSC Memorandum Circular No. 10 dated April 17, 2006]) dated 24 January 2013.

CSC Memorandum Circular No. 10, s. 2006 (Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Network and Disclosure of Business Interests and Financial Connections) dated 17 April 2006.

CSC Resolution No. 06-0231 (Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Network and Disclosure of Business Interests and Financial Connections) dated 1 February 2006.

Frequently Asked Questions on the Statement of Assets, Liabilities and Network (SALN) v. March 2016.