



GCG MEMORANDUM CIRCULAR NO. 2017 – 05

SUBJECT : GRANT OF THE PRODUCTIVITY ENHANCEMENT INCENTIVE (PEI)

DATE : 05 DECEMBER 2017

1. **LEGAL BASIS** – This Circular has been issued to establish the rules and regulations for the grant of the Productivity Enhancement Incentive (PEI) to qualified GOCC Officers and Employees pursuant to Executive Order No. 80, s. 2012 (E.O. No. 80),¹ pending the formal implementation of the Compensation and Position Classification System (CPCS).
2. **COVERAGE**. – This Circular shall apply to all Officers and Employees of GOCCs within the coverage of R.A. No. 10149.

Excluded from the coverage are those individuals hired by GOCCs without employer-employee relationships and/or those whose compensation is not sourced from Personnel Services appropriations/budgets of their respective GOCCs, as follows:

- (a) Members of the Governing Board;
- (b) Consultants and experts hired to perform specific activities or services with expected outputs;
- (c) Laborers hired through job contracts (*pakyaw*) and those paid on piecework basis;
- (d) Student laborers and apprentices; and
- (e) Individuals and groups of people whose services are engaged through job orders, contracts of service, or others similarly situated.

3. **GRANT OF THE PRODUCTIVITY ENHANCEMENT INCENTIVE**. –

- 3.1. The **Productivity Enhancement Incentive (PEI)** of ₱5,000 shall be given to the qualified employee not earlier than December 15 of the current year, subject to the following conditions:
 - 3.1.1. The GOCC personnel remains to be in government service as of November 30 of the current year; and
 - 3.1.2. The GOCC personnel has rendered at least a total or an aggregate of **four (4) months of at least satisfactory service** as of

¹ *Directing the Adoption of a Performance-Based Incentive System For Government Employees.*