



**REPORT ON
CORPORATE PERFORMANCE
CY 2016**

PHILIPPINE DEPOSIT INSURANCE CORPORATION
 REPORT ON ACCOMPLISHMENTS OF STRATEGIC OBJECTIVES (SO)

Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Baseline (2015)	2016									
				Target	Actual (as of 31 December 2016)								
SO 1. To Maintain the Deposit Insurance Fund (DIF) to Adequately Cover Deposit Insurance and Bank Resolution													
SM 1 Ratio of DIF to Estimated Insured Deposits (EID) (based on a 12-month average)	(DIF/EID) x 100% Range of Target DIF to EID Ratio <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>5.5% and above</td> <td>20%</td> </tr> <tr> <td>5.25% - 5.49%</td> <td>18%</td> </tr> <tr> <td>5% - 5.24%</td> <td>16%</td> </tr> <tr> <td>Below 5%</td> <td>0%</td> </tr> </table>	5.5% and above	20%	5.25% - 5.49%	18%	5% - 5.24%	16%	Below 5%	0%	20.0%	5.6% (based on a 12-month average)	5.5%	5.8% ¹
5.5% and above	20%												
5.25% - 5.49%	18%												
5% - 5.24%	16%												
Below 5%	0%												
SO 2. To Sustain Client Satisfaction Level													
SM 2 Customer/Stakeholder Satisfaction (based on a survey designed and verified by an independent third party)	Actual Accomplishment	5.0%	4.59	Improvement from the baseline rating of 4.55 (Very Satisfactory) ²	4.69 ³								
SM 3 Conduct of public awareness campaign among new target groups for financial inclusion	Actual Accomplishment	2.0%	n/a	500 senior citizens from 10 communities (in 5 underserved provinces) covered by the financial literacy campaign	779 senior citizens from 10 communities								
SO 3. To Settle Valid Deposit Insurance Claims Promptly													
SM 4 For accounts w/ balances of ≤ P100,000: 90% of valid ⁴ deposits paid within TAT ⁵ Banks w/ ≤ 20 branches Banks w/ > 20 branches Multi-unit bank w/ conditions ⁶	Actual TAT	12.5%	n/a	10 - 22 working days (WD) 10 WD 19 WD 22 WD	within 3 to 10 WD for 96.6% or 45,433 valid deposits in 21 closed rural banks within 15 WD for 100% or 13,503 valid deposits in 1 closed thrift bank --								

Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Baseline (2015)	2016	
				Target	Actual (as of 31 December 2016)
SM 5 For accounts w/ balances of > P100,000: 90% of valid ⁴ claims settled within TAT ⁵ Banks w/ ≤ 20 branches Banks w/ > 20 branches Multi-unit bank w/ conditions ⁶	Actual TAT	12.5%	n/a	15 - 50 WD 15 WD 44 WD 50 WD	within 8 to 15 WD for 100% or 6,376 valid claims in 21 closed rural banks within 25 WD for 100% or 3,101 valid claims in 1 closed thrift bank --
SO 4. To Protect the Depositors in the Banking System					
SM 6 Average number of days from exit conference or last day of examination, whichever is later, to submission of PDIC Directives to the Examined Bank's Board	Average number of days	18.0%	38 WD (for 61 banks with completed bank examination reports)	40 WD	37 ⁷ WD
SO 5. To Immediately Distribute Assets to Creditors and Terminate Liquidation of Closed Banks					
SM 7 Number of Projects of Distribution (PODs) filed with the Liquidation Court based on the number of closed banks	Absolute number	18.0%	40	40	40
SO 6. To Ensure Continuous Improvement in Processes and Systems Consistent with Policies, External Regulations and Internationally-Accepted Standards					
SM 8 Implementation of Enterprise Risk Management (ERM) Framework	Actual Accomplishment	4.0%	n/a	Board-approved Business Continuity Management System (BCMS) Framework Board-approved Governance, Risk and Compliance (GRC) Framework	Approved by the PDIC Board December 21 Approved by the PDIC Board December 7
SM 9 ISO Certification	Actual Accomplishment	4.0%	n/a	1 frontline service (Assessment of Member Banks)	The frontline service for Assessment of Member Banks has been audited last December 8 and 9, 2016 and recommended for certification to ISO 9000:2008 by TUV Rheinland Phil. Inc.

Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Baseline (2015)	2016	
				Target	Actual (as of 31 December 2016)
SO 7. To Deliver Quality Public Service Through Highly Competent Workforce					
SM 10 Implementation of Competency Framework	Average Competency Level of the Organization	4.0%	The Competency Framework was approved by the PDIC Board last 2 December 2015 and submitted to GCG on 16 December 2015.	Established Baseline (for operating units - Deposit Insurance Sector, Examination and Resolution Sector and Receivership and Liquidation Sector) Board-Approved Succession Planning Framework	Baseline Competency Assessment approved by the PDIC Board December 7 Approved by the PDIC Board November 23
Total		100%			

¹ Based on a 12-month average with preliminary amount for the DIF as of December 31, 2016. The ratios for the months of October, November and December are based on EID as of 30 September 2016 less EID of banks closed as of end of said months.

² Based on PDIC's Service Quality Feedback Survey conducted by an independent service provider from October to December 2015. Numerical rating for "Very Satisfactory" has a range of 4.50 to 5.00 based on PDIC Service Quality Rating Range Scale.

³ Based on a 12-month average

⁴ Valid claims refer to claims for deposit accounts examined to be legitimate and eligible for deposit insurance. To be considered valid, claims must be filed with complete supporting evidences/documents that are acceptable to PDIC for deposit balances of greater than P100,000, or with complete address and with no outstanding loans with closed bank for deposit balances of P100,000 and below.

⁵ From bank takeover

⁶ Multi-unit bank should meet all the following conditions: (a) >25,000 accounts; (b) < 50% of accounts qualify for waived filing; and (c) > 70% of accounts net of those waived for filing are high risk.

⁷ For 42 banks with Board-approved Bank Examination Report (BER)


Certified Correct:


MA. ESTER D. HANOPOL
 VP, Corporate Planning Group

1/16
 Date


SANDRA A. DIAZ
 SVP, Management Services Sector

 Date

Approved by:

CRISTINA Q. ORBETA
 President

 Date

CARLOS G. DOMINGUEZ III
 Secretary, Department of Finance and
 Chairman of the PDIC Board of Directors

 Date

**PHILIPPINE DEPOSIT INSURANCE CORPORATION
STRATEGIC INITIATIVE PROFILE**

STRATEGIC INITIATIVE PROFILE I

1. Name of Project:

Formulation of a Resolution Framework for Domestic Systemically Important Banks (DSIBs)

2. Project Description:

Development of a Resolution Framework for DSIBs, including identification of sources of funds, and arrangements and coordination with other financial safety nets.

3. Project Milestones:

Activities	Timeline		Budget ¹	Funding Source	Status
	Start	End			
a. Research for data and/or information and study of available or similar frameworks for DSIBs from other jurisdictions	1Q 2016	2Q 2016		PDIC	<ul style="list-style-type: none"> ▪ Preliminary data on Resolution Framework gathered from other jurisdictions were presented on 14 April 2016 Excom meeting.
b. Collation and analysis of data	2Q 2016	3Q 2016			<ul style="list-style-type: none"> ▪ Conducted research and discussion on DSIBs framework.
c. Formulation of the proposed Framework, including coordination with other PDIC concerned units and financial safety nets, and approval of the Framework by the PDIC Board	2Q 2016	4Q 2016			<ul style="list-style-type: none"> ▪ Project completed. ▪ The framework, which is documented through the PDIC Financial Crisis Management and Resolution (FCMR) Handbook, was approved by the PDIC Board on 7 December 2016 per Resolution No. 2016-12-204. ▪ The Financial Stability Coordination Council (FSCC) FCMR Working Group was furnished a copy of the Handbook on 13 December 2016.
Total					

¹ The budget is only for estimated cost of meetings to be incurred, and charged to Corporate Business/Policy Development and Enforcement Expense (CBPDEE).

4. Measures Affected:

Strategic Measure 1: Ratio of DIF to Estimated Insured Deposits (EID) (based on a 12- month average)

Prepared by:


Eden J. Dizon
Vice President – Resolution Group

Noted by:


Ma. Ana Carmela L. Villegas
EVP, Examination and Resolution Sector

6 January 2017



**PHILIPPINE DEPOSIT INSURANCE CORPORATION
STRATEGIC INITIATIVE PROFILE**

STRATEGIC INITIATIVE PROFILE II

1. Name of Project:

Study on Setting Up of Islamic Deposit Insurance System (IDIS) (2016-2017)

2. Project Description:

The conduct of research and study about Islamic banking, financial system and deposit insurance system in order to determine the need for and requirements for the setting up of an Islamic Deposit Insurance System in the Philippines in view of the moves to amend the charter of Al Amanah Islamic Bank of the Philippines and establish an Islamic banking system in the country.

3. Project Milestones:

Activities (for 2016)	Timeline		Status
	Start	End	
Knowledge capacity build-up on the possible need for and requirements for the establishment of an IDIS in the Philippines - Conduct of research and gathering of information materials on IDIS - Attendance in relevant seminars - Reports on the research made, information gathered and seminars attended	Q1 2016	Q4 2016	Accomplishment as of Q4 2016: Submitted to the President the Report/Study on the Establishment of Islamic Deposit Insurance System in the Philippines For Q1 2017: Continue research on <i>Sukuk</i> Identification of <i>Halal</i> businesses/industries Source of Shariah Experts
TOTAL			

4. Measures Affected:

- a. Strategic Objective 4. To protect the depositors in the banking system

Prepared by:


Atty. Nancy L. Sevilla-Samson
 VP Legal Services Group

Noted by:


Ma. Antonette Brilantes-Bolivar
 SVP, Legal Affairs Sector



PHILIPPINE DEPOSIT INSURANCE CORPORATION

MAKATI CITY
www.pdic.gov.ph

CORPORATE AFFAIRS GROUP

FOR : The President
THRU : The Vice President, CAG
Subject : Strategic Initiative-CSR program as of December 29, 2016
Date : December 29, 2016

Notes
We still have to craft for CSR framework
9/27/16

We are forwarding the attached Accomplishment Report on Strategic Initiative Profile III – Implementation of Medium Term Corporate Social Responsibility (CSR) Program of CAG as of December 29, 2016.

For consideration/signature, please.

JOSE G. VILLARET, JR.

12-29-16 CCD # 8

TO: CAG
Received by: KR
DEC 29 2016 11:49 AM
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**PHILIPPINE DEPOSIT INSURANCE CORPORATION
STRATEGIC INITIATIVE PROFILE**

STRATEGIC INITIATIVE PROFILE III

1. Name of Project:

Implementation of Medium-Term Corporate Social Responsibility (CSR) Program

2. Project Description:

Formulation of a comprehensive 5-year program on CSR that will integrate initiatives for targeted communities and activities for PDIC employees towards achievement of the goals and sustaining program focusing on environment protection and community development.

3. Project Milestones: (see attached Table as of December 29, 2016)

4. Measures Affected:

Strategic Measure 3: Conduct Public Awareness campaign among new target groups for financial inclusion

Prepared by:


Jose G. Villaret, Jr.
VP, Corporate Affairs Group

Noted by:

Cristina Que Orbeta
President

Implementation of Medium-Term Corporate Social Responsibility (CSR) Program

Activities	Timeline		Budget	Funding Source	Status
	Start	End			
1. Organization of the Ad Hoc Committee	Q1 2016	Q1 2016	-	Corporate Operating Budget (COB)	Deferred until the revised CSR framework has been designed
2. Conduct of Pre-Planning Activity a. Assessment of Past Performance b. Survey of CSR Programs of GOCCs c. Clarification of Corporate Statements on CSR	Q1 2016	Q2 2016	-	COB	Completed documentation of the PDIC-GK Village Project and summarized features of CSR programs of selected GOCCs for consideration in designing CSR program for PDIC.
3. Conduct of Planning Workshop (Ad Hoc Committee/Stakeholders)	Q2 2016	Q2 2016	P500,000.00	COB	Draft CSR framework was presented to Management in Q3 but was advised to revise to allow greater employee participation. Held consultations with employees through the Officers' Club and PHILDICEO to revise the framework based on Management's comment. Also consulted with League of Corporate Foundations to learn from the implementation framework of other corporations. While a revised framework of CSR was developed and submitted for the PDIC Strategic Plan (Annex A), this needed to be integrated into the proposed Corporate branding program (Annex B) for presentation to Management by Q1 2017.
4. Presentation of Proposed CSR Program to Stakeholders for Comments	Q3 2016	Q3 2016	P20,000.00	COB	
5. Revision of Proposed CSR Program based on comments and Submission for Approval	Q3 2016	Q4 2016	-	COB	

6. Launching of the Approved CSR Program	Q4 2016	Q4 2016	P50,000.00	COB	To raise CSR awareness among employees, a contest on saving office paper is proposed and will be launched in January 2017. The CSR program will be launched as part of the Corporate branding initiative by Q2 2017.
7. Implementation of CSR Program	Q1 2017	Q4 2020	For estimation	COB	-
8. Evaluation of CSR Program (Annual) a. Conduct of Evaluation Meetings with Stakeholders b. Review of CSR Program for Next Year's Implementation	Q4 2017 Q4 2018 Q4 2019	Q4 2017 Q4 2018 Q4 2019	For estimation	COB	-