



# PHILIPPINE DEPOSIT INSURANCE CORPORATION

## CERTIFICATE OF ADOPTION OF RESOLUTION

I, ATTY. JAROMME Z. K. C. CASTILLO, I, Officer-in-Charge, Office of the Corporate Secretary, Philippine Deposit Insurance Corporation, do hereby certify that the following is an excerpt of the Minutes of the Meeting of the Board of Directors of the Corporation held on July 29, 2016:

"After due deliberation and upon motion duly made and seconded, the following resolution was passed and carried:

### RESOLUTION NO. 2016-07-120

RESOLVED, as it is hereby resolved, to approve the Report on Corporate Performance (RCP) as of 30 June 2016 (Attachment A of the Board memo) for submission to the Governance Commission for GOCCs (GCG)."

Issued this 29<sup>th</sup> day of July 2016.

  
ATTY. JAROMME Z. K. C. CASTILLO, I  
Officer-in-Charge

Noted by:

  
CRISTINA Q. ORBETA  
President

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

Strategic Objective (SO)/ Strategic Measure (SM)	Weight	Formula	2016		
			Target	Actual as of 30 June	
<b>SO 1. To Maintain the Deposit Insurance Fund (DIF) to Adequately Cover Deposit Insurance and Bank Resolution</b>					
SM 1 Ratio of DIF to Estimated Insured Deposits (EID) (based on a 12- month average)	20%	(DIF/EID) x 100%	5.5%	5.7% <sup>1</sup>	
		Range of Target DIF to EID Ratio			
		5.5% and above			20%
		5.25% - 5.49%			18%
		5% - 5.24%			16%
		Below 5%	0%		
<b>SO 2. To Sustain Client Satisfaction Level</b>					
SM 2 Customer/Stakeholder Satisfaction (based on a survey designed and verified by an independent third party)	5%	Actual Accomplishment	Improvement from the baseline rating of 4.55 (Very Satisfactory) <sup>2</sup>	4.63 <sup>3</sup> (Very Satisfactory)	
SM 3 Conduct of public awareness campaign among new target groups for financial inclusion	2%	Actual Accomplishment	500 senior citizens from 10 communities (in 5 underserved provinces) covered by the financial literacy campaign	Coordinating with DILG to implement in the 4th quarter	
<b>SO 3. To Settle Valid Deposit Insurance Claims Promptly</b>					
SM 4 For accounts w/ balances of ≤ P100,000: 90% of valid <sup>4</sup> deposits paid within TAT <sup>5</sup>	12.5%	Actual TAT	10 - 22 working days (WD)	100% or 14,833 valid deposits in 10 closed rural banks (RBs) paid within 3 to 10 WD	
			Banks w/ ≤ 20 branches		10 WD
			Banks w/ > 20 branches		19 WD
			Multi-unit bank w/ conditions <sup>6</sup>		22 WD

Strategic Objective (SO)/ Strategic Measure (SM)	Weight	Formula	2016	
			Target	Actual as of 30 June
SM 5 For accounts w/ balances of > P100,000: 90% of valid <sup>4</sup> claims settled within TAT <sup>5</sup> Banks w/ ≤ 20 branches  Banks w/ > 20 branches  Multi-unit bank w/ conditions <sup>6</sup>	12.5%	Actual TAT	15 - 50 WD 15 WD 44 WD 50 WD	100% or 2,081 valid claims in 10 closed RBs settled within 8 to 15 WD  100% or 3,101 valid claims in 1 closed TB settled within 25 WD  --
<b>SO 4. To Protect the Depositors in the Banking System</b>				
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	18%	Average number of days	40 WD	32 WD <sup>7</sup>
<b>SO 5. To Immediately Distribute Assets to Creditors and Terminate Liquidation of Closed Banks</b>				
SM 7 Number of Projects of Distribution (PODs) filed with the Liquidation Court based on the number of closed banks	18%	Absolute number	40	11
<b>SO 6. To Ensure Continuous Improvement in Processes and Systems Consistent with Policies, External Regulations and Internationally-Accepted Standards</b>				
SM 8 Implementation of Enterprise Risk Management (ERM) Framework	4%	Actual Accomplishment	Board-approved Business Continuity Management System (BCMS) Framework  Board-approved Governance Risk and Control (GRC) Framework	BCP Committee formed to review the draft BCP Framework  Formulation of GRC framework in process
SM 9 ISO Certification	4%	Actual Accomplishment	1 frontline service (assessment collection)	Orientation of process owners conducted on April 21 - 22; initial gap assessment ongoing

Strategic Objective (SO)/ Strategic Measure (SM)	Weight	Formula	2016	
			Target	Actual as of 30 June
<b>SO 7. To Deliver Quality Public Service Through Highly Competent Workforce</b>				
SM 10 Implementation of Competency Framework <sup>1</sup>	4%	Average Competency Level of the Organization	Established Baseline (for operating units - Deposit Insurance Sector, Examination and Resolution Sector and Receivership and Liquidation Sector)  Board-Approved Succession Planning Framework	Competency-Based Human Resource System (CBHRS) Phase I - Core / Leadership Managerial Competencies approved by the PDIC President in April 2016.  CBHRS Phase II - Contract / Terms of Reference (TOR) for Phase II to be submitted to BAC in July 2016.  Draft PDIC Succession Planning Framework (SPF) reviewed vis-a-vis the SPF model used by the Civil Service Commission Institute
<b>Total</b>	<b>100%</b>			

<sup>1</sup> Based on a 6-month average. The ratios for the months of April, May and June are based on EID as of 31 March 2016 less EID of banks closed as of end of said months.

<sup>2</sup> 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.

<sup>3</sup> Based on a 6-month average

<sup>4</sup> 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.

<sup>5</sup> From bank takeover

<sup>6</sup> 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

<sup>7</sup> For 15 banks with Board-approved bank examination report

Certified Correct:

  
**MA. ESTER D. HANOPOL**  
 VP, Corporate Planning Group \_\_\_\_\_  
 Date

  
**SANDRA A. DIAZ**  
 SVP, Management Services Sector \_\_\_\_\_  
 Date

7/22/16  
 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

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PHILIPPINE DEPOSIT INSURANCE CORPORATION  
STRATEGIC INITIATIVE PROFILE

Attachment B

**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 <sup>1</sup>	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	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	2Q 2016			Research and discussion on DSIBs framework are ongoing.
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			
<b>Total</b>					

**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. Carmela L. Villegas**  
EVP, Examination and Resolution Sector

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

Received: fern 8/16/16

**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	Research and information gathering For Q2:  1. Researched on the Structure and Features of the Bahrain IDIS (see attached)  2. Meeting with Dr, Jamel R. Cayamodin, University of the Philippines Institute of Islamic Studies (see attached)  For Q3:  1. Consolidate the studies made on Malaysia, Sudan, Jordan, Nigeria and Bahrain IDIS Structures and Features  2. Continue research on potential of growth of Islamic Banking and Finance in the Philippines  3. Organize meetings/ dialogues with the National Commission on Muslim Filipinos (NCMF), the Islamic Da'wah Council of the Philippines, Inc. (IDCP) and Shariah resource persons from the UP Law Center  4. Attend related seminars/conferences
<b>TOTAL</b>			

**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

**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 for status as of 30 June 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			
<b>1. Organization of the Ad Hoc Committee</b>	Q1 2016	Q1 2016	-	Corporate Operating Budget (COB)	Rescheduled to Q3 upon completion of pre-planning activity. Draft Office Order constituting Ad Hoc Committee for submission to the Office of the President on July 2016.
<b>2. Conduct of Pre-Planning Activity</b> 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 PDIC-GK Village Project for reporting to the Ad Hoc Committee;  Summarized features of CSR programs of selected GOCCs (LBP, GSIS and SSS) for presentation to the Ad Hoc Committee
<b>3. Conduct of Planning Workshop</b> (Ad Hoc Committee/Stakeholders)	Q2 2016	Q2 2016	P500,000.00	COB	Rescheduled to Q3 upon constitution of Ad Hoc Committee
<b>4. Presentation of Proposed CSR Program to Stakeholders for Comments</b>	Q3 2016	Q3 2016	P20,000.00	COB	
<b>5. Revision of Proposed CSR Program based on comments and Submission for Approval</b>	Q3 2016	Q4 2016	-	COB	
<b>6. Launching of the Approved CSR</b>	Q4 2016	Q4 2016	P50,000.00	COB	



Program					
<b>7. Implementation of CSR Program</b>	Q1 2017	Q4 2020	For estimation	COB	
<b>8. Evaluation of CSR Program (Annual)</b> 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	