



Bank deposit mo, protektado!

NEWS/PRESS RELEASE

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GCG validates high performance rating for PDIC in 2019

The Governance Commission for Government Owned or Controlled Corporations (GCG) has validated the accomplishments of the Philippine Deposit Insurance Corporation (PDIC) for 2019 with a performance rating of 90.81%.

In the validation report released in March 2021, the GCG confirmed that the state deposit insurer successfully met 90.81% of its targets as committed in its Performance Scorecard for 2019.

In its performance commitment to the GCG, the PDIC pledged to sustain client satisfaction, maintain the Deposit Insurance Fund (DIF) to adequately cover deposit insurance, settle valid deposit insurance claims promptly, immediately distribute assets to creditors and terminate liquidation of closed banks; protect the DIF from illegal schemes and machinations; and continuously develop a committed and competent workforce to deliver responsive public service.

The PDIC reported that 97.61% of customers surveyed gave a satisfactory rating for services rendered, higher than the target of 95%. In addition, the 12-month average level of the DIF at 6.6% in relation to the estimated insured deposits was also above the minimum target level of 5.5%. The DIF is a measure of capital adequacy of the Corporation and is supported by liquid funds for deposit insurance calls or financial assistance to ailing banks subject to certain conditions.

As deposit insurer, the Corporation promptly paid deposit insurance claims for 49,898 valid deposits in nine closed banks within the applicable turnaround time of 7 to 22 working days for accounts with balances of PhP100,000 and below; and settled 6,152 valid claims within 12 to 42 working days for accounts with balances of more than PhP100,000.

As liquidator of closed banks, the PDIC also managed to file a total of 34 asset distribution plans (ADPs) with various liquidation courts nationwide. ADPs are plans which are elevated to the liquidation courts for approval for the distribution of closed bank assets to their respective creditors including depositors whose deposits exceeded the maximum deposit insurance coverage. The implementation of the ADPs allows the partial or final settlement of creditors' claims which enables trapped funds to be driven back into the economy either as savings, investments or new capital.

Corporate systems and processes continued to be benchmarked against international best practices and standards. For 2019, the Corporation's quality management systems for frontline services sustained certifications under the ISO 9001:2015 standards. These processes include claims settlement operations, assessment of member banks, loans management and real property disposal.

"The PDIC continuously takes advantage of opportunities to enhance its processes and systems, and builds on its resources and capacities to carry out its roles as deposit insurer and liquidator of closed banks. With digital technology and enhanced systems and processes, we hope to have sustained this high performance for 2020 even during the pandemic and alternative work arrangement to serve our clients better," PDIC President and CEO Roberto B. Tan said.

The GCG's Performance Evaluation System (PES) for GOCCs is pursued through annual performance agreement negotiations with the GCG. In general, the PES aims to identify breakthrough results which will push GOCCs to exceed their day-to-day operations and achieve outcomes that will enable their services to create significant impact to clients and stakeholders.

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The Philippine Deposit Insurance Corporation (PDIC) was established on June 22, 1963 by Republic Act 3591 to provide depositor protection and help maintain stability in the financial system by providing deposit insurance. Effective June 1, 2009, the maximum deposit insurance coverage is Php500,000 per depositor. All deposit accounts by a depositor in a closed bank maintained in the same right and capacity shall be added together. A joint account shall be insured separately from any individually-owned deposit account.

PDIC news/press releases and other information are available at the website, www.pdic.gov.ph.

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