

XI. DEPARTMENT OF FINANCE

A. OFFICE OF THE SECRETARY

STRATEGIC OBJECTIVES

MANDATE

Under Executive Order No. 127, 127-A and 292, the Department of Finance is responsible for the following: 1. Formulation, institutionalization and administration of fiscal policies in coordination with other concerned agencies and instrumentalities of the government; 2. Generation and management of the financial resources of the government; 3. Supervision of the revenue operations of all local government units; 4. Review, approval and management of all public sector debt, domestic or foreign; and 5. Rationalization, privatization and public accountability of corporations and assets owned, controlled or acquired by the government.

VISION

1. A strong economy with stable prices and strong growth; 2. A stable fiscal situation with adequate resources for government projects; 3. A borrowing program that is able to avoid the crowding-out effect on the private sector, and minimizes costs; 4. A public sector debt profile with long maturities and optimum mix of currencies that minimizes the impact of currency and interest rate movement; and 5. A strong economic growth with equity and productivity.

MISSION

Our economy must be one of the most dynamic and active in the world, globally competitive and onward looking. The DOF shall take the lead in providing a solid foundation for the achievement of the objective, by building a strong fiscal position, through the following: 1. Formulation, institutionalization and administration of fiscal policies; 2. Improvement of tax collection efficiency; 3. Mobilization of adequate resources on most advantageous terms to meet budgetary requirements; 4. Sound management of public sector debt; and 5. Initiation and implementation of structural and policy reforms.

KEY RESULT AREAS

Anti-Corruption, Transparent, Accountable, Efficient and Participatory Governance

SECTOR OUTCOME

1. Fiscal Strength; 2. Resilient and Inclusive Financial System; and 3. Good Governance

ORGANIZATIONAL OUTCOME

1. Fiscal Sustainability Attained
2. Asset and Debt Effectively Managed

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Desired Revenue to Gross Domestic Product ratio attained; 2. Prudent liability management; 3. Effective management of government assets and liabilities; 4. Improved fiscal performance of Local Government Units (LGUs) to support local development projects and delivery of basic services; 5. Effective international finance management through strategic mobilization and allocation of funds; and 6. Establish the country at the forefront of international and regional economic finance cooperation.

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)

BASELINE

2016 TARGETS

Fiscal Sustainability Attained

Improved tax effort

FY 2011: 12.4%; FY 2012: 12.9%;
FY 2013: 13.3%

Increase of 0.3% over the
previous year

Sustained country's position at the forefront of international and regional economic finance cooperation	Recommendation / positions on issues taken up at the various international and regional fora depending on the frequency of meetings attended	Country position on issues presented by Secretary of Finance – majority adopted by other Ministers
Transparency initiatives for mining industry	The country has not yet produced an EITI Report	Output / reports on extractive industry (First Report to be published by December 31, 2014)
Asset and Debt Effectively Managed		
Sustained dividend collection from GOCCs	FY 2011: P5.5B, FY 2012: P5.5B, FY 2013: P5.5B	P6 Billion (+ / -10%)
Amount of loans with concessional terms increased or amount of concessional loans maximized	FY 2011: US\$1.5 Billion; FY 2012: US\$2.0 Billion; FY 2013: US\$2.4 Billion (This includes requirements to finance Yolanda post disaster reconstruction)	Value of foreign loans and grants: (> or = US\$ 500 million)
	FY 2011: 7; FY 2012: 15; FY 2013: 12 foreign loans	Number of foreign loans and grants negotiated: (> or = 7)

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)**2016 Targets****MFO 1: FINANCIAL SECTOR and FISCAL POLICY SERVICES (Domestic and International)**

Number of plans and policy advisories developed and issued or updated and disseminated	4
Percentage of stakeholders who rate DOF plans/policy advisories as good or better	80%
Percentage of plans and policy advisories that have been updated, issued and disseminated within the last 3 years	80%

MFO 2: PUBLIC SECTOR FINANCIAL RESOURCES MANAGEMENT SERVICES**Revenue Integrity Protection and Services**

Number of personnel investigated	72
No. of personnel charged with OMB or CSC	37
Percentage of personnel charged by appropriate authority over the no. of personnel investigated	>50%
Percentage of investigation completed within the prescribed period	100%

GOCC Monitoring

Amount collected as dividend from GOCCs	P6.0 Billion
Dividend from GOCCs collected within the prescribed period	100% collection by 4Q
Percentage of dividend collected over target dividend	100%

Negotiation of International Loans

Value of foreign loans and grants negotiated	> or = US\$500M
Number of foreign loans and grants negotiated	> or = 5
Percentage of ODA loans obtained annually compliant to the Weighted Average Grant Element as set under the law	100%

MFO 3: MUNICIPAL DEVELOPMENT FUND ADMINISTRATION SERVICES

Number of applications for grants and loans acted upon	15
Number of grants and loans approved	10
Number of loans and grants under management	273
Value of loans and grants under management	P842.14 Million
Percentage of loans with one or more interest payments in arrears by 30 days or more	10%
Percentage of applications acted upon within 2 weeks	80%
Percentage of borrowers that are default on an interest or principal repayment after one (1) month grace period	10%

B. BUREAU OF CUSTOMS

STRATEGIC OBJECTIVES

MANDATE

The Bureau of Customs (BOC) implements an effective revenue collection by preventing and suppressing smuggling and the entry of prohibited imported goods. It supervises and controls the entrance and clearance of vessels and aircrafts engaged in foreign commerce. It also enforces the Tariff and Customs Code of the Philippines and all other laws, rules and regulations related to Tariff and customs administration.

VISION

A modernized and efficient customs administration that every Filipino can trust and be proud of

MISSION

1. To assess and collect lawful revenues efficiently
2. To effectively curb illicit trade and all forms of customs fraud
3. To facilitate trade in a secured manner
4. To implement relevant technology for an efficient and effective customs management aligned with international customs best practices

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength, Enhancement of Trade and National Security

ORGANIZATIONAL OUTCOME

1. Revenue Collection Improved
2. Secured Trade Facilitation by International Standards Achieved

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)

BASELINE

2016 TARGETS

Revenue Collection Improved

Collection targets increased

10% increase in the actual cash collection over last year

40% increase in the proceeds of sale from forfeited and abandoned goods over last year

Secured Trade Facilitation by International Standards Achieved

Ranking / Rating in cargo clearance process improved

Number of documents on exports
and imports decreased:

< / =5 export docs;

< / =6 import docs

Run after the Smugglers (RATS)
cases filed annually

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)

2016 Targets

MFO 1: COLLECTION OF DUTIES AND TAXES

Collection Performance

Amount of duties and taxes	P456,458 M
Number of entries filed containing commercial goods	670,000
Estimated potential customs tax effort	3.5%
Percentage of inspections resulting in 10% or greater increase in assessment of duties or taxes	2%
Percentage of customers whose goods are cleared that rate the service as good or better	100%
Percentage of prosecutions that result in a favourable judgment for Government	-
Percentage of imported goods cleared within 10 days from filing of import declaration	100%

Passenger Processing

Number of inspections that result in detection of one or more irregularities	6,000
Percentage of passengers and crew who rate the service as good or better	90%
Percentage of prosecutions that result in a favourable judgment for Government	80%
Percentage of arriving international passengers and crew processed within 30 minutes of baggage presentation to customs	90%

Enforcement

Number of enforcement actions (alerts) undertaken	240
Percentage of actions that result in favourable judgement	85%
Percentage of shipment selected and physically examined or x-rayed resulting to seizures	15%
Percentage of enforcement actions (alerts) completed within 30 days from issuance of alert orders	100%

Exports and Warehouse Operations

Volume of imported goods entered for warehousing and to special economic zones	210,000 MT
Percentage of customers who report irregularities with respect to their stored goods	0%
Percentage of customers who rate the service as good or better	85%
Percentage of customers who rate timeliness of access to facilities as good or better	90%
Percentage of shipments entered for warehousing legally withdrawn for various puposes within the prescribed period	10%

NOTE : Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

C. BUREAU OF INTERNAL REVENUE

STRATEGIC OBJECTIVES

MANDATE

The BIR is mandated by law to assess and collect all national internal revenue taxes, fees and charges, and to enforce all forfeitures, penalties and fines connected therewith, including the execution of judgements in all cases decided in its favor by the Court of Tax Appeals and the ordinary courts. (Sec. 2 of the National Internal Revenue Code of 1997)

VISION

The Bureau of Internal Revenue is an institution of service excellence, a partner in nation-building, manned by globally competitive professionals with integrity and patriotism.

MISSION

The Bureau of Internal Revenue is committed to collect taxes for nation-building through excellent, efficient and transparent service, just and fair enforcement of tax laws, uplifting the life of every Filipino.

KEY RESULT AREAS

Anti-Corruption, Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Internal Revenue Collection Improved

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Attained collection targets and sustained collection growth; 2. Improved taxpayer satisfaction and compliance; 3. Strengthen Good Governance; 4. Improve assistance, compliance and enforcement process; 5. Improve integrity and accuracy of taxpayer database; 6. Improve integrity, competence, professionalism, and satisfaction of human resources; 7. Improve knowledge management; and 8. Optimize management of resources.

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Internal Revenue Collection Improved		
Collection Target Attained	2012: 99.23%, 2013: 97.05%	+ / - 2% (P1.723B) (based on Medium Term Revenue Program as of December 18, 2013)
Percentage in Number of New Registered Business TPs Increased (Individual and Non-Individual)	2012: 7.59%, 2013: 8.11%	10%
Frequency of Filing of RATE Cases with the Department of Justice (DOJ)	2012: 57 cases filed, 2013: 64 cases filed	3 cases filed per month (36 cases filed for the year)

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)	2016 Targets
MFO 1: TAX COLLECTION SERVICES	
Collection performance (+/-2% of the Agency Goal)	P2, 072, 564, 000, 000
Collection growth	19.57%

NOTE : Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

D. BUREAU OF LOCAL GOVERNMENT FINANCE

STRATEGIC OBJECTIVES

MANDATE

EO 127: Assist in the formulation and implementation of policies on local government revenue administration and fund management; Assist LGUs in the development and implementation of Real Property Tax Administration (RPTA) projects; Develop plans and programs for the improvement of tax collection enforcement mechanism and credit utilization schemes at the local levels; Exercise administrative and/or technical supervision over local treasury and assessment operations; Exercise line supervision over its regional offices and coordinate regional activities to maximize manpower and financial resources; and Perform such other appropriate functions as maybe assigned.

VISION

The focal agency and an authority in local finance that aims to be at the forefront of local economic growth leading the way towards national development.

MISSION

The focal agency and an authority in local finance that aims to be at the forefront of local economic growth leading the way towards national development.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Fiscal Sustainability of LGUs strengthened

PERFORMANCE INFORMATION

KEY STRATEGIES

Supervise local assessment and treasury operations through regular monitoring of fiscal and financial performance and compliance to rules, regulations and policies

Conduct capacity building seminars on strategies and best practices to improve LGU revenue generation and resource mobilization

Formulation of opinions, guidelines, rules and regulations on local taxation and tax administration, real property assessment, financial management, credit and other forms of indebtedness

Oversee the implementation of Special Projects.

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)BASELINE2016 TARGETS

Fiscal Sustainability of LGUs strengthened

Ratio of LGU expenditures over total income

2012 : 0.75

Ratio is < or = 1

Percentage of total actual collections of LGUs from local taxes and other locally generated revenue sources versus targets

2012: 108.54%

Collection efficiency is > or = 95%

2013: 84.33% (preliminary only
since processing of SRE reports
of LGUs for CY 2013 is still
ongoing)

Number of LGUs not exceeding 20% of their regular income for
debt servicing (Sec. 324 (b) of RA 7160)

2013: 99.3% (Actual)

No. of LGUs is > or = 95% of the
total number of provinces, cities
and municipalities nationwide

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)

2016 Targets

MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT

REGULATION OF LGU FINANCIAL MANGEMENT

Number of directives, guidance notes, policies and procedures issued	459
Number of compliance reviews carried out	2,763
% of LGUs that breach one or more of the rules, directives, guidelines, policies or procedures specified by BLGF	20%
% of LGUs over the last three years with two or more breaches on one or more of the rules, directives, guidelines, policies or procedures specified by BLGF	15%
% of LGUs subject to three or more compliance reviews in the last two years	10%

E. BUREAU OF THE TREASURY

STRATEGIC OBJECTIVES

MANDATE

The Bureau of the Treasury (BTr) acts as principal custodian of the National Government (NG). It makes funds available for the various programs and projects of the government. It assists in the formulation of policies on borrowing, investment and capital market development, in managing the cash resources, collecting taxes made by NG and guarantee forward cover fees due NG, and in controlling and servicing its public debt, both foreign or domestic.

VISION

To be pro-active manager of public funds characterized by active duration management, minimization of interest rate risks and hedging of financial risks.

MISSION

To efficiently and effectively manage the financial resources of government by maximizing revenues from available funds and minimizing costs of financing.

KEY RESULT AREAS

Anti-corruption/transparent, accountable and participatory governance

SECTOR OUTCOME

Fiscal strength

ORGANIZATIONAL OUTCOME

1. Efficiency in cash management improved
2. Efficiency in debt management improved

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Maximize income earned from BTr-managed funds
2. Prudent liability management
3. Effective management of government assets
4. Enhanced business processes thru implementation of DMFAS version 6 and Treasury Single Account (TSA) Project
5. BTr Rationalization Program implemented
6. Professional Development Program pursued at BTr
7. IT systems upgraded and servers / hardware components installed for effective implementation of DMFAS version 6 and TSA
8. Internal procedures enhanced and compliant with good governance principles

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Efficiency in cash management improved		
Adequacy of cash holdings ensured	BSP; PhilPASS, TRAMS	Maintain a sufficient cash buffer to cover deviations from the cash forecast*
Yield / returns on cash balances of NG maximized	Cash Operation Report (COR)	Earn at the rate of 1.5% per annum on NG cash balances NG Average Interest Rate: (Year, USD Rate, PHP Rate): 2012, - , 2.3018%; 2013, - , 1.5957%; 2014, 0.0614%, 1.73%; Jan1-May 7, 2015, 0.09%, 2.00%
Efficiency in debt management improved		
Interest payments relative to program maintained	Cash Operation Report (COR)	Actual interest payments < or = latest approved program* Interest Savings for 2012-2014 2012 - 1.53% 2013 - 2.65% 2014 - 8.90%
Average Time to Maturity (ATM) maintained	BTr Debt Indicators	ATM of NG debt portfolio maintained above 7 years Average Maturity (residual, in years); 2012 - 2014 2012 - 10.96 2013 - 10.89 2014 - 11.13 As of March 2015 - 11.77

% of foreign borrowings to total borrowing requirements

Cash Operation Report (COR)

< / = 25%*

Foreign Financing (% of total);
2012 - 2014

2012 - 16.4

2013 - 6.1

2014 - 26.8**

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)2016 Targets

MFO 1: CASH MANAGEMENT SERVICES

Fund the budgetary and non-budgetary expenses of NG

% of replenishment of validated paid MDS checks

100% replenishment

NG income reports submitted within the prescribed schedule

On time submission

% of paid MDS checks replenished within the set schedule

daily before cut-off time

Interest income on deposits and BSF/SSF investment (In Million Pesos)

29,343

NG Income remitted to BTr (In Million Pesos)

21,725

MFO 2: MANAGEMENT OF PUBLIC DEBTS

Monitor and service NG Debt

Amount of debt service (In Million Pesos)

816,987

% of matured NG debt paid

100% of NG debt matured

NG debt paid prior to due date

as NG debt fall due

Issuance of government securities

Volume of government securities issued and redeemed (in million pesos)

643,228

Average interest rate for the 364-day T-bills maintained over the last three (3) years

3%

Auction of government securities conducted as scheduled

as scheduled

F. CENTRAL BOARD OF ASSESSMENT APPEALS

STRATEGIC OBJECTIVES

MANDATE

To warrant the observance of the due process of law clause mandated by the Constitution in the assessment and collection of real property taxes by the government and ensure that the taxpayers are given the opportunity to be heard.

VISION

Local fiscal autonomy through fair and equitable real property assessment and collections.

MISSION

To warrant the observance of the due process of law clause guaranteed by the Constitution in the assessment and collection of real property taxes.

KEY RESULT AREAS

Anti-corruption/transparent, accountable and participatory governance

SECTOR OUTCOME

Fiscal strength

ORGANIZATIONAL OUTCOME

Due process for fair and equitable real property taxation improved

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Faster and simpler filing, processing and monitoring of appealed cases
2. Online payment system for docket fees
3. Online case monitoring system
4. FAQ on CBAA and LBAA rules and procedures
5. E-bayad internet-based portals to effect a more convenient system of filing of appealed cases before the CBAA

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Due process for fair and equitable real property taxation improved		
Percentage of cases reviewed during the year that were elevated to the higher court and overturned reduced	25	10%(3)

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)	2016 Targets
MFO 1: ADJUDICATION SERVICES	
Number of cases reviewed	32
Percentage of cases reviewed over the last five years whose decisions are overturned by a higher court	0
Percentage of cases received for adjudication that are resolved within 30 days of receipt of complete documentation	90%

G. COOPERATIVE DEVELOPMENT AUTHORITY

STRATEGIC OBJECTIVES

MANDATE

As the lead government agency in the development and regulation of cooperatives, the Cooperative Development Authority promotes the growth and viability of cooperatives as instruments of equity, social justice and economic development in fulfillment of the mandate in Section 15, Article XII of the 1987 Philippine Constitution.

VISION

An effective and efficient regulatory agency working towards the development of viable, sustainable, socially-responsive and globally competitive cooperatives

MISSION

To ensure the safe and sound operations of cooperatives

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Progressive Cooperative Enterprises

ORGANIZATIONAL OUTCOME

Growth and viability of cooperative enterprises improved

PERFORMANCE INFORMATION

KEY STRATEGIES

Efficient Registration of Cooperatives and Mainstreaming of Membership in Cooperatives and provision of Technical Advisory Services
 Effective Regulation of Cooperatives and Enforcement of Cooperative Laws, Rules and Regulations
 Strengthen Governance and Enhance Regulatory Framework

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Growth and viability of cooperative enterprises improved		
Increase in percentage of cooperatives complying with reportorial requirements	11,889 (FY 2013 data)	5%
Increase in the number of jobs generated by cooperatives	274,294 (FY 2013 data)	5%
Increase in gross revenue of cooperatives	P53,017,937,242.90	5%
MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)		2016 Targets

MFO 1: TECHNICAL ADVISORY SERVICES

Registration of Cooperatives and Expansion of Membership

No. of technical services rendered	46,925
Percentage of clients who rate the technical services as good or better	80%
Percentage of technical services rendered within 3 days of request	80%

MFO 2: REGULATION OF COOPERATIVES

Registration

Number of registration applications and renewals/amendments acted upon	1,875
Number of cooperative registration applicants who rated the registration process as good or better	70%
Percentage of registration applications acted upon within 45 days from date of receipt of complete documents	80%

Monitoring

Number of sites, facilities and financial records monitored and/or inspected with reports issued	71,860
Percentage change in violations detected	50%
Percentage of cooperatives inspected and/or examined within the year	85%

Enforcement

Number of violations or complaints acted upon and reports issued	200
Percentage of non-compliant cooperatives complying with sanctions and/or directives	60%
Percentage of violations/complaints acted upon within 15 days after knowledge of violation or upon receipt of complaint	80%

H. INSURANCE COMMISSION

STRATEGIC OBJECTIVES

MANDATE

To safeguard the rights, welfare and interest of the insuring public; promote growth and financial stability of insurance companies; establish a sound national insurance market; professionalize insurance services; develop insurance consciousness among the general populace.

VISION

By 2020, as regulator, we shall provide an opportunity for every Filipino to secure insurance protection and we shall observe practices at par with regional and global standards.

MISSION

We are committed to protect the interest and welfare of the insuring public and to develop and strengthen the insurance industry.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Financial Sector Stability and Growth

ORGANIZATIONAL OUTCOME

Insurance Industry Growth and Stability Improved

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Insurance Industry Growth and Stability Improved		
Percentage contribution of the Insurance Industry to the Gross Domestic Product Increased	2012: 1.31% 2013: 1.72%	2.5% contribution of the Insurance Industry to the Gross Domestic Product by 2016
Net Worth of Insurance Companies increased	> or = P250 Million	> or = P550M in Net Worth for each Insurance Company by 2016
Percentage of Insurance Companies and MBAs compliant with Risk Based Capital (RBC) framework increased	FY 2012: 75.8% (no data yet for FY 2013)	80% of Insurance Companies and MBAs are compliant with the required RBC hurdle rate by 2016

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)

2016 Targets

MFO 1: INSURANCE REGULATION SERVICES

Insurance Licensing Services

Percentage of applications processed with complete documentation	90%
Percentage of license or permit applications processed within 14 days of receipt	80%
Number of licenses and permits issued	54,905

Monitoring

Number of target entities/reports/disclosures monitored	2,504
Percentage of target entities/reports/disclosures monitored for compliance to tariff rules and investment requirements	90%
Percentage of monitored target entities/reports/disclosures reviewed within the year	90%

Enforcement

Number of entities/reports/disclosures inspected	46,585
Number of violations of tariff rules and investment requirements detected in the last 3 years	238
Percentage of entities/reports/disclosures that have been inspected within the prescribed schedule	90%

NOTE : Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

I. NATIONAL TAX RESEARCH CENTER

STRATEGIC OBJECTIVES

MANDATE

The National Tax Research Center is mandated to conduct continuing research in taxation "to restructure the tax system and raise the level of tax consciousness among our people to achieve a faster rate of economic growth and to bring about a more equitable distribution of wealth and income".

VISION

Be recognized as the premier tax research institution attached to the Department of Finance (DOF); Be a more motivated and committed team of professionals that will continue to provide high quality research and technical assistance in taxation and other fiscal related matters to the DOF and other branches of the executive, legislature, local government units, the private sector and international institutions; and Be using state-of-the-art technology for information systems and processes.

MISSION

We are the government institution dedicated to promoting a tax system that will ensure a fair distribution of the tax burden among the Filipino taxpayers.

We are committed to recommend necessary improvements in the tax system by conducting quality research on taxation and to provide responsive staff support to fiscal policy makers.

We are also committed to provide opportunities for professional growth and to promote the well-being of our personnel.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Philippine Tax System Improved

PERFORMANCE INFORMATION

KEY STRATEGIES

1. Comprehensive review of the tax system
2. Conduct of studies / projects aimed at rationalizing the tax structure and improving tax policy and administration which include:
 - 2.1 Improvements in direct taxation
 - 2.2 Improvements in indirect taxation
 - 2.3 Rationalization of fiscal incentives
 - 2.4 More effective tax administration
 - 2.5 Increased capacities of local governments and improvements in local finance
 - 2.6 Conduct of baseline studies
3. Monitoring of compliance of national government agencies (NGAs) to Administrative Order (AO) No. 31 re: revision of fees and charges
4. Monitoring of tax collection performance of the BIR regional offices and BOC district ports
5. Involvement in Land Administration and Management Project Phase 2-Property Valuation and Taxation Component
6. Consultancy to the Executive and Technical Committee on Real Property Valuation pursuant to Department Order No. 6-2010 and BIR Regional Revenue Special Order No. 61-2010
7. Technical assistance to Congress and other government agencies

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Philippine Tax System Improved		
Findings and recommendations considered in tax policy reforms	No baseline because the target is dependent on the Legislative Policy Agenda of the DOF / Administration	5 Tax studies supportive of tax policy reforms
Monitoring of Compliance to AO 31 re Revision of Fees and Charges Improved	P30.54 Billion (2013 Actual Collection)	P6.65 Billion projected additional collection from revised fees and charges P30.54 Billion + (20% x P30.54 Billion) = P36.65 Billion
Applications for Tax Subsidies of GOCCs Evaluated	3 GOCCs	4 GOCCs will apply for tax subsidy $(3 + 33.3\%(3)) = 4$
Tax Information Dissemination and Taxpayer Awareness Enhanced	N / A	P8 Billion Estimated Tax Subsidy Granted 1000 Recipients of NTRC Publications
MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)	2016 Targets	

MFO 1: TECHNICAL ADVISORY SERVICES

Number of evaluations, studies, tax proposals / tax assessments	45, 37, 16 respectively
Percentage of recommendations adopted	90%
Percentage of reviews, evaluations and studies delivered on or before the requested date	100%

J. PRIVATIZATION AND MANAGEMENT OFFICE

STRATEGIC OBJECTIVES

MANDATE

Implement the actual marketing/disposition program for government corporations, assets and other properties (E.O. 323). Dispose assets and/or rights, mandated under E.O. 372, transferred to NG and entrusted said assets and/or rights to PMO (E.O. 471).

VISION

Promote an orderly, coordinated and efficient privatization/disposition of assets, activities and other properties. Broaden economic base by turning state owned enterprises over to the private sector. Provide more investment and employment opportunities to help attain economic growth.

MISSION

Take title to and possession of, conserve, provisionally manage, and dispose of assets identified for privatization, and in process, reduce the Government's maintenance expense in non-performing assets and generate maximum cash recovery for the National Government.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

Fiscal Strength

ORGANIZATIONAL OUTCOME

Effective management and disposition of transferred assets and other government properties

PERFORMANCE INFORMATION

KEY STRATEGIES

Generate proceeds from the sale of real estate properties and intensify the collection of receivables.

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)BASELINE2016 TARGETS

Effective management and disposition of transferred assets and other government properties

Percentage of remittance over the fair market value of the assets disposed increased

90% of proceeds (per Sec. 6, Art. III of EO 323)

% increase of remittance over the fair market value of the assets disposed

MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)2016 Targets

MFO 1: PRIVATIZATION OF GOVERNMENT ASSETS

Sale/Disposition of assets and other properties assigned by the Privatization Council

Number of Assets Sales Completed

5

Value of Asset Sale Proceeds

P529, 534, 000

Actual asset sale proceeds less the estimated market value of assets

0

Average number of days from date of Council approval of asset disposition to date of receipt of sale proceeds or date of transfer of ownership (whichever is later)

60

Management of Assets Held in Trust Prior to Privatization

Number of assets under management	131
Value of assets under management	52, 000, 000, 000
Average change in estimated value of assets under management from beginning of year to end of year or earlier date of sale	0
Percentage of assets for which the financial accounts are produced within 30 days of the end of the financial year	8

K. SECURITIES AND EXCHANGE COMMISSION

STRATEGIC OBJECTIVES

MANDATE

The SEC is the national government regulatory agency charged with supervision over the corporate sector, the capital market participants, the securities investment instruments market, and the investing public. The Commission was tasked to regulate the sale and registration of securities, exchanges, brokers, dealers and salesmen. Subsequent laws were enacted to encourage investments and more active public participation in the affairs of private corporations and enterprises to broaden the Commission's mandates, powers and functions; and in recent years, to give greater focus on the Commission's role in capital market development, fostering good governance and enhancing investor protection.

Subsequent laws enacted to broaden the Commission's mandates, powers, and functions were:

- (1) The SEC Reorganization Act or Presidential Decree (PD) 902-A in 1976 as subsequently amended by PDs 1653, 1758 and 1799, which reorganized the Commission to give it ample powers to protect the public and their investments;
- (2) The Corporation Code of the Philippines or the Batas Pambansa (BP) 68 in 1980, which gave the mandate to register corporations, collect fees from registering corporations, and prescribe reportorial requirements;
- (3) The Revised Securities Act or BP 178 in 1982, which repealed CA 83 in its entirety to give way to a new statute that would enable the SEC to keep pace with new and more complex securities instruments, trading vehicles and strategies; and
- (4) The Securities Regulation Code (SRC) or Republic Act (RA) 8799 in 2000, which provided for the SEC reorganization to give greater focus on the Commission's role in capital market development, fostering good governance and enhancing investor protection.

Today, the SEC is tasked with "serious responsibility of enforcing all laws affecting corporations and other forms of associations not otherwise vested in some other government offices." In addition to the aforementioned laws, the Commission also implements and acts either as lead or support agency in administering and enforcing special laws, the more significant of which are:

- (a) Anti-Money Laundering Act of 2001 (RA 9160, as amended);
- (b) Credit Information System Act of 2008 (RA 9510);
- (c) Lending Company Regulation Act of 2007 (RA 9474);
- (d) Financing Company Act (RA 5980, as amended);
- (e) Investment Company Act (RA 2629, as amended);
- (f) Investment Houses Law (PD 129);
- (g) Retail Trade Liberalization Act of 2000 (RA 8762);
- (h) Foreign Investments Act of 1991 (RA 7402, as amended);
- (i) Omnibus Investment Code (E.O. 226, Book III);
- (j) Anti-Dummy Law (Commonwealth Act 108, as amended);
- (k) Civil Code of the Philippines (RA 386, Title IX - Partnership);
- (l) Securitization Act of 2004 (RA 9267);
- (m) Special Purpose Vehicle Act of 2002 (RA 9182);
- (n) Access Devices Regulation Act of 1999 (RA 8484);
- (o) Real Estate Investment Trust Act of 2009 (RA 9856);
- (p) Personal Equity and Retirement Account Act of 2008 (RA 9505)

VISION

We envision that, by December 31, 2015, the Commission has fully implemented its three-year program to build its physical and ICT infrastructure, and harnessed the skills and expertise of highly competent and motivated staff, for the efficient and effective performance of its duties and responsibilities.

MISSION

To strengthen the corporate and capital market infrastructure of the Philippines, and to maintain a regulatory system, based on international best standards and practices, that promotes the interests of investors in a free, fair and competitive business environment. We shall be guided in this mission by the values of integrity, professionalism, accountability, independence and initiative.

KEY RESULT AREAS

Anti-Corruption/Transparent, Accountable and Participatory Governance

SECTOR OUTCOME

- (1) Resilient and inclusive financial system, and
- (2) Good governance

ORGANIZATIONAL OUTCOME

Corporate and capital market infrastructure strengthened

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	BASELINE	2016 TARGETS
Corporate and capital market infrastructure strengthened		
Volume and value of IPOs, securities and corporate bonds registered and value of authorized capital stock and foreign direct investments increased		5% increase from the average of the last three (3) years
Total number of applications for registration, licensure and accreditation processed and approved increased	10,000 (FY 2014 target number of registrations approved and licenses issued based on approved 2014 Physical Plan)	5% increase from 2014 target (10,500)
Total number of regulated entities and individuals monitored and evaluated as compliant with SEC rules and regulations increased	20,427 (FY 2014 target number of entities monitored and evaluated based on approved 2014 Physical Plan)	5% increase from 2014 target (21,448)
MAJOR FINAL OUTPUTS (MFOs) / PERFORMANCE INDICATORS (PIs)		2016 Targets
MFO 1: CORPORATE AND CAPITAL MARKET DEVELOPMENT SERVICES		
PI SET 1 – Policy measures implemented to enhance the regulatory framework and foster continued growth of the capital market in particular and the business sector in general		
No. of planned measures promulgated/implemented		1
Percentage of measures promulgated/implemented that are rated good or better		100
Percentage of measures promulgated/implemented within the prescribed timeframe		100
PI SET 2 – Technical Assistance		
Number of technical assistance rendered		
Percentage of clients who rate the technical assistance as good or better		100
Percentage of requests for technical assistance that are acted upon within the prescribed timeframe		100
MFO 2: CORPORATE AND CAPITAL MARKET REGULATION SERVICES		
Registration/ Licensing Services		
Number of registrations approved and licenses issued		11,50
Percentage of applications processed pursuant to standard processing procedures and timeframe		100
Percentage of license or permit applications and renewals processed within standard processing timeframe		100

Monitoring

Number of target entities/reports/ disclosures monitored and evaluated	70,780
Percentage of target entities/reports/ disclosures monitored and evaluated pursuant to standard monitoring and evaluating parameters	100%
Percentage of target entities/reports/disclosures monitored and evaluated within standard timeframe	100%

Enforcement

Percentage of errant firms and individuals imposed the appropriate fines and/or penalties	100%
Percentage of enforcement activities undertaken in accordance with rules, regulations and standards	100%
Percentage of enforcement activities undertaken within standard timeframe	100%