

K. SECURITIES AND EXCHANGE COMMISSION

STRATEGIC OBJECTIVES

MANDATE

The Commission's broad regulatory scope covers the corporate sector, capital market participants, securities and investment instruments, and the investing public. The Securities Act (Commonwealth Act. No. 83) established the SEC in 1936 mainly to administer the registration of securities, exchanges, brokers, dealers and salesmen. The SEC Reorganization Act (Presidential Decree No. 902-A) gave the Commission ample powers to protect the public and their investments, and reorganized the Commission into a collegial body vested with absolute jurisdiction, supervision and control over all corporations, partnership or associations, who are the grantees of primary franchise and/or a license or permit issued by the government to operate in the Philippines. The Corporation Code of the Philippines (Batas Pambansa Blg. 68) affirmed the SEC mandate to register corporations, collect fees from registering corporations, and prescribe reportorial requirements. The law also empowered SEC to reject articles of incorporation or disapprove any amendment thereto. It likewise authorized the SEC to promulgate rules and regulations, reasonably necessary to enable it to perform its duties particularly in the prevention of fraud and abuses on the part of the controlling stockholders, members, directors, and trustees or officers of corporations. To give greater focus on the Commission's role in capital market development, fostering good corporate governance and enhancing investor protection, the Securities Regulation Code (Republic Act No. 8799), provided for the SEC reorganization that took place in the year 2000, and transferred the Commission's jurisdiction over all cases enumerated under Section 5 of PD 902-A to the Courts of general jurisdiction or the appropriate Regional Trial Court (acting as Commercial Courts). Under Section 5 of the Securities Regulation Code, the Commission shall act with transparency and shall have the powers and functions provided by the Code, Presidential Decree No. 902-A, the Corporation Code of the Philippines, the Investment Houses law, the Financing Company Act and other existing laws. Considering that only Sections 2, 4, and 8 of Presidential Decree 902-A, as amended, have been expressly repealed by the Securities Regulation Code, the Commission retains the powers enumerated in Section 6 of the said Decree, unless these are inconsistent with any provision of the Code. In addition, the Commission also implements Civil Code provisions on Partnerships (i.e., Republic Act 38- Title IX), and acts either as lead or support agency in administering among others, the following laws:

1. Real Estate Investment Trust Act of 2009 (RA 9856),
2. Credit Information System Act (RA 9510),
3. Lending Company Regulation Act (RA 9474),
4. Securitization Act of 2004 (RA 9267),
5. Special Purpose Vehicle Act (RA 9182),
6. Financing Company Act (RA 5980 as amended by RA 8366),
7. Investment Houses Law (PD 129 as amended by RA 8366),
8. Investment Company Act (RA 2629),
9. Personal Equity and Retirement Account Act (RA 9505),
10. Anti-Money Laundering Law (RA 9160),
11. Retail Trade Liberalization Act of 2000 (RA 8762),
12. Omnibus Investment Code (E.O. 226, Book III),
13. Foreign Investment Act of 1991 (RA 7042 as amended by RA 8179),
14. Education Act of 1982 (BP 232 as amended by RA 7798), and the
15. Anti-Dummy Law (CA 108).

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	2015 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)	2015 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	
Number of planned measures promulgated/implemented	6
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	0
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	10,500
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	64,345
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%