

PHILIPPINE RETIREMENT AUTHORITY
ANNUAL REPORT 2016



MAKE THE PHILIPPINES YOUR RETIREMENT DESTINATION THRU THE **SPECIAL RESIDENT RETIREE VISA (SRRV).**

An ideal retirement haven brings to mind warm weather, powdery beaches, scenic views, heavenly dishes, and friendly people. Without spending too much, many are retiring in the *Philippines* mainly to experience a great life in a tropical paradise.

World-class healthcare, high quality of living at a very affordable cost, friendly and hospitable people with excellent communication skills are just some of the factors that attract foreigners to retire, reside, and invest in the Philippines.

No wonder, the **Philippines** is dubbed as one of the leading retirement destinations in the world.



TABLE of CONTENTS



- Our Company **Background**
- Our **Vision**
- Our **Mission**
- Our **Mandate**
- Our **Core Values**
- Our **Regulatory** Environment
- Our **Organization** and its **People**
- The PRA **Board of Trustees** *(As of December 31, 2016)*
- The PRA **Organizational Structure** *(As of December 31, 2016)*
- The PRA **Organizational Roles** and **Responsibilities**



- Our Business **Model**
- Our Key **Resources**



- The PRA **Strategy Map**
- Stakeholders** Management
- The PRA **Quality Policy**
- The Performance Scorecard **Targets** (CY 2016)
- The **Strategies** and **Activities** for CY 2016



- The Performance Scorecard **Accomplishments** (CY 2016)
- The **SRRV** Highlights 2016
- The **Foreign Exchange Contribution** 2016
- The **Financial** Highlights 2016
- The **Accreditation** Highlights 2016
- The **After-Enrollment Services** Highlights 2016

52

OUR FUTURE PLANS

Our **Future Plans**

- Maintenance of **ISO 9001:2008** Certification of the PRA Head Office and Satellite Offices and **ISO 9001:2015 Transition**
- Retiree Application Servicing and Billing **Information System**
- Customer **Satisfaction** Survey
- Retiree **Expenditure** Measurement System
- Implementation of **ICT Systems**
- PEZA** Guidelines
- Implementation of **Competency Framework**
- Benefits** Reform

56

OUR RISK MANAGEMENT

- Our Risk **Management**
- Our Risk **Material Factors**

60

OUR CORPORATE GOVERNANCE

- Our Corporate **Governance**
- Our Corporate **Social Responsibility**

66

OUR FINANCIAL REPORT

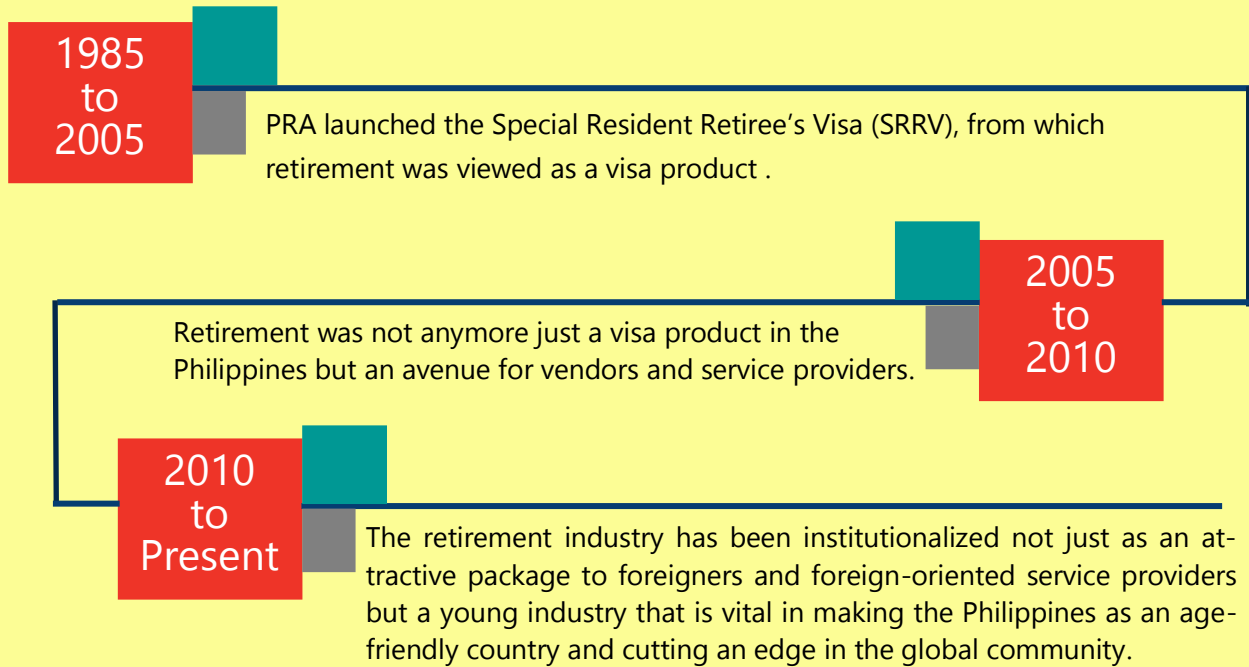
- Annual **Audit** Report for CY 2016
- Independent** Auditor's Report
- Statement of **Management's Responsibility** for Financial Statements
- Balance** Sheet
- Statement of **Income** and **Expenses**
- Statement of **Changes in Equity**
- Statement of **Cash Flows**
- Notes to **Financial Statements**

84

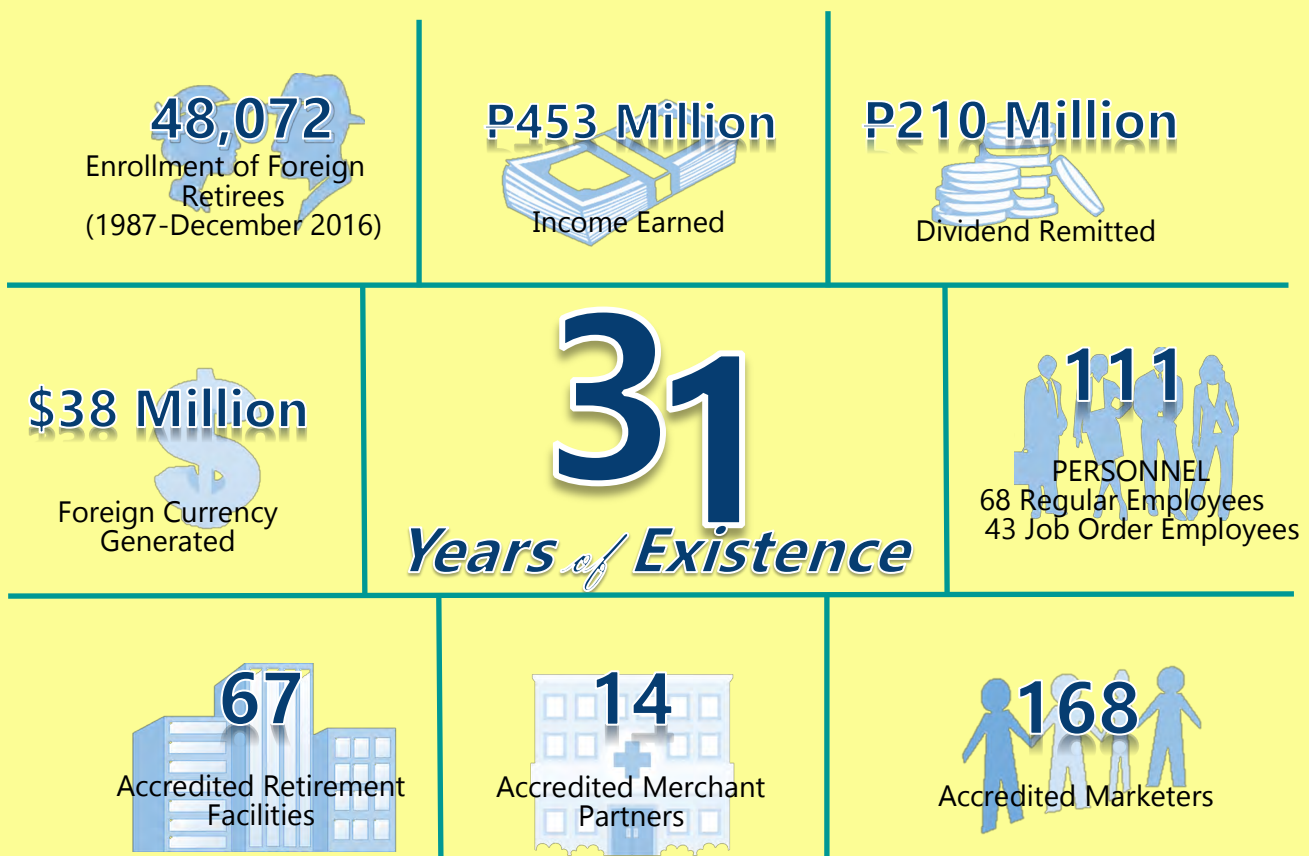
APPENDICES

- Appendix A—The 2015-2016 **Performance Agreement**
- Appendix B—**Statistics** (*As of December 31, 2016*)
- Appendix C—The 2016 **Marketing Activities** Highlights
- Appendix D—The 2016 Table of **Trainings** Conducted

The 3 Phases of PRA History



2016 Key Figures





MESSAGE

OF THE GENERAL MANAGER

TO OUR VALUED PARTNERS,

Mabuhay!

I am very pleased to present to you the fruit of collaborative efforts of the Philippine Retirement Authority (PRA) and its stakeholders for the fiscal year 2016.

Even though the country was inundated with series of challenges, the battered yet resilient spirit of the Filipino people was shown through tribulations as they emerged victorious and wiser than ever before. The PRA stood as a stalwart institution, an integral agency throughout these trying times, that continued to aid in the Philippine economic development for national progress.

This report will herald integral achievements for the year 2016, first among which is the streamlining of processes to better service and achieve an excellent system for our prized retirees and stakeholders. Said development aided the PRA's laudable performance that earned a dividend of PHP 210 million. And I commend our hardworking colleagues for realizing this accomplishment.

Referencing this, I am likewise enthusiastic about our upcoming initiatives for 2017. In accordance with Executive Order (EO) 605 Institutionalizing the Structure, Mechanisms and Standards to Implement the Government Quality Management Program and as required by the Governance Commission for GOCCs (GCG), the PRA is currently undergoing ISO:9001 2008 certification.

The cornerstone project in San Vicente, Palawan, hailed as the flagship of the Philippine Tourism Economic Zone, is well on its way to becoming a home for our retirees. We are certainly looking forward to its completion, allowing our retirees to live in nature, culture and modern comfort in a sustainable community on the world's most beautiful island.

Our prospects are brighter in the dawn of the Duterte administration. We have been tasked to extend our reach exponentially, through market development, to help realize the Department of Tourism (DOT)'s tourist arrival market of 6.5 million for the year 2017. With the staunch support of our President Rodrigo Roa Duterte, the Honorable Secretary Wanda Corazon Teo, and our esteemed Board of Directors, the PRA likewise commits to bringing 10,000 retirees to the country. Together with the Tourism Infrastructure and Economic Zone Authority (TIEZA), and in cooperation with the Bureau of Immigration (BI), the PRA is geared to prove that retiring is, indeed, **More Fun in the Philippines.**

My sincerest gratitude to all for your contribution to a successful year in 2016, and may we go beyond achieving our endeavors in 2017.



ATTY. BIENVENIDO K. CHY
General Manager/CEO



OUR ORGANIZATIONAL OVERVIEW

OUR COMPANY BACKGROUND

The Philippine Retirement Authority (PRA) is a government owned and controlled corporation created by virtue of Executive Order No. 1037, signed by former President Ferdinand E. Marcos on 04 July 1985. On 31 August 2001, through Executive Order No. 26, the control and supervision of PRA was transferred to the Board of Investments (BOI) – Department of Trade and Industry (DTI) from the Office of the President

On 12 May 2009, Republic Act No. 9593, otherwise known as Tourism Act 2009, PRA became an attached agency of the Department of Tourism and placed under the supervision of the Secretary.

The Special Resident Retiree's Visa (SRRV), the *Philippines' retirement visa*, is the PRA's core product - a nonimmigrant, multiple-entry, indefinite-stay visa.

On October 20, 2010, the PRA Board rationalized, expanded and branded PRA's retirement visa product-line as follows:

- SRRV SMILE Option - Visa deposit is simply deposited for end of term obligations
- SRRV Classic Option – Visa deposit is convertible into property investments
- SRRV Courtesy – for former Philippine-based diplomats and former Filipinos
- SRRV Human Touch – for ailing retiree- applicants

The Authority is bound to:

- a) Create a favorable image of the Philippines within the international community, there by strengthening the country's attraction as a retirement destination and eventually paving the way for other benefits that may result from a positive global view of the country;
- b) Realize an inclusive growth and poverty reduction through the development and promotion of the Philippines as a retirement haven.
- c) Achieve a globally competitive and innovative retirement industry and services sectors.
- d) Enable/empower the private sector to expand the services and offerings to the world's retirees, seniors and elderly.

PRA operates through its main office located at the central business district of **Makati City**. The office is strategically located to provide ease and comfort for the clients and other stakeholders who will visit and transact in the office. PRA has Satellite Offices in the cities of Baguio, Angeles, Cebu and Davao to extend services to applicants, members and other stakeholders in those areas.

OUR VISION

PRA, as the catalyst in strengthening the Philippines' retirement industry, envisions to enhance the status of the country as an internationally-recognized and significant retirement destination in South East Asia by 2022.

OUR MISSION

To continually develop PRA's capabilities to enable and empower all segments of the government and private sectors relevant to the Philippine retirement migration agenda.



OUR MANDATE

The Philippine Retirement Authority, by virtue of its charter, Executive Order 1037, is mandated to develop and promote the Philippines as a retirement haven as a means of accelerating the social and economic development of the country, strengthening its foreign exchange position at the same time providing further best quality of life to the targeted retirees in a most attractive package.

OUR CORE VALUES



SERVICE EXCELLENCE

We push ourselves to provide high quality services at all times, getting better at every chance, in order to meet international standards and realize our ideals for excellence.

INNOVATION

We continuously explore new and dynamic ways to improve our work, utilizing our imagination and creativity in making things happen to produce results that matter.

INTEGRITY

We believe in working as One Team for the achievement of the PRA Mission and Vision, each of us contributing our abilities and talents as we perform our share of the corporate challenge.

TEAMWORK

We uphold honesty and financial accountability in all aspects of our work, always maintaining our moral integrity and our dignity as respectable public servants.

DISCIPLINE

We continuously act in accordance with rules of conduct, regulations, and authority.

GOOD GOVERNANCE

We hold ourselves accountable and transparent in all our actions, responsive to the needs of our nation and the society as a whole, deliver services that meet the needs of our stakeholders while making the best use of our resources, and follow the rule of law.

SOCIAL RESPONSIBILITY

It is our obligation to act for the benefit of our stakeholders, our environment, and for the Philippines, our Motherland.

OUR REGULATORY ENVIRONMENT

PRA is a GOCC covered by Republic Act 10149 or the GOCC Governance Act of 2011, the mandate of the Governance Commission for GOCCs (**GCG**). The GCG is the government’s central advisory and oversight body for the public corporate sector like the PRA in areas which include but are not limited to:

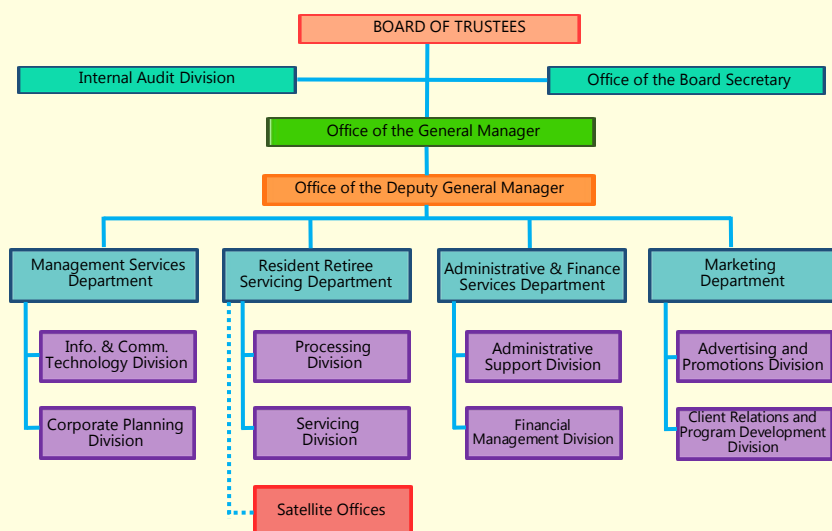
1. Classification of GOCCs;
2. Adoption and constitution of an Ownership and Operations Manual (Manual of Corporate Governance);
3. Establishment of the performance evaluation systems including performance scorecards ;
4. Evaluation of the performance and determination of the relevance of GOCCs, to ascertain whether any of them should be reorganized, merged, streamlined, abolished or privatized;
5. Conduct of periodic study, examination, evaluation and assessment of the performance of the GOCCs;
6. Coordinating and monitoring of the operations of GOCCs, ensuring alignment and consistency with the national development policies and programs;
7. Review of the functions of each of the GOCCs; and
8. Provision of technical advice and assistance to the government agencies to which the GOCCs are attached.

In terms of SRRV issuance, PRA abides by the regulation of the Bureau of Immigration (**BI**) being the approving authority of the SRRV.

OUR ORGANIZATION and its PEOPLE

PHILIPPINE RETIREMENT AUTHORITY GCG APPROVED STAFFING PATTERN

As of October 11, 2013



PRA ORGANIZATIONAL CHART

The organizational structure is based on the 2013 Approved Rationalization Plan (*RatPlan*).

Aside from the filled plantilla positions of the RatPlan, PRA also contracts the services of Job Order personnel. As of December 2016, PRA has a total manpower complement of 111 employees, composed of 68 regular and 43 job order/ contractual.

THE PRA BOARD OF TRUSTEES *(As of December 31, 2016)*



**WANDA CORAZON
T. TEO**
Chairperson



Academic and Professional Qualifications:

Bachelor's Degree in Business Administration
(St. Theresa's College)

Employment Highlights:

Secretary,
Department of Tourism
(July 2016—Present)



BIENVENIDO K. CHY
Vice-Chairperson



Academic and Professional Qualifications:

Bachelor of Laws
(San Beda College)

Employment Highlights:

General Manager & CEO,
Philippine Retirement Authority
(November 2016—Present)



AMANDO M. TETANGCO
Member



Academic and Professional Qualifications:

MA in Public Policy and Administration
(concentration in Development Economics)
(University of Wisconsin, Madison, USA)

Post Graduate Course
(Ateneo de Manila University)

AB Economics
(Ateneo de Manila University)

Employment Highlights:

Governor,
Central Bank of the Philippines
(July 2005—Present)



RONALDO A. GERON

Member



Academic and Professional Qualifications:

Bachelor of Laws
(University of the Philippines-Diliman)

Bachelor of Arts
Major in Political Science
(University of Batangas)

Employment Highlights:

Commissioner,
Bureau of Immigration
(January 2016—June 2016)



JAIME H. MORENTE

Member



Academic and Professional Qualifications:

Masters Degree in Management
(Philippine Christian University)

Employment Highlights:

Commissioner,
Bureau of Immigration
(July 2016—Present)



MARIA LOURDES F. JAPSON

Member



Academic and Professional Qualifications:

BS Education
(Sta. Isabel College)

Employment Highlights:

Assistant Secretary for
Tourism Regulation, Co-ordination & Resource Generation (TRCRG) for Luzon and Visayas,
Department of Tourism
(September 2016—Present)



VICENTE S. AQUINO
**Alternate
 Representative (BSP)**



**Academic and
 Professional
 Qualifications:**

Bachelor of Laws
*(Manuel L. Quezon
 University)*

BS Journalism
*(Lyceum of the
 Philippines)*

**Employment
 Highlights:**

Deputy Governor,
 Central Bank of the
 Philippines
*(January 2016—
 December 2016)*



ESTANISLAO R. CANTA
**Alternate
 Representative (BI)**



**Academic and
 Professional
 Qualifications:**

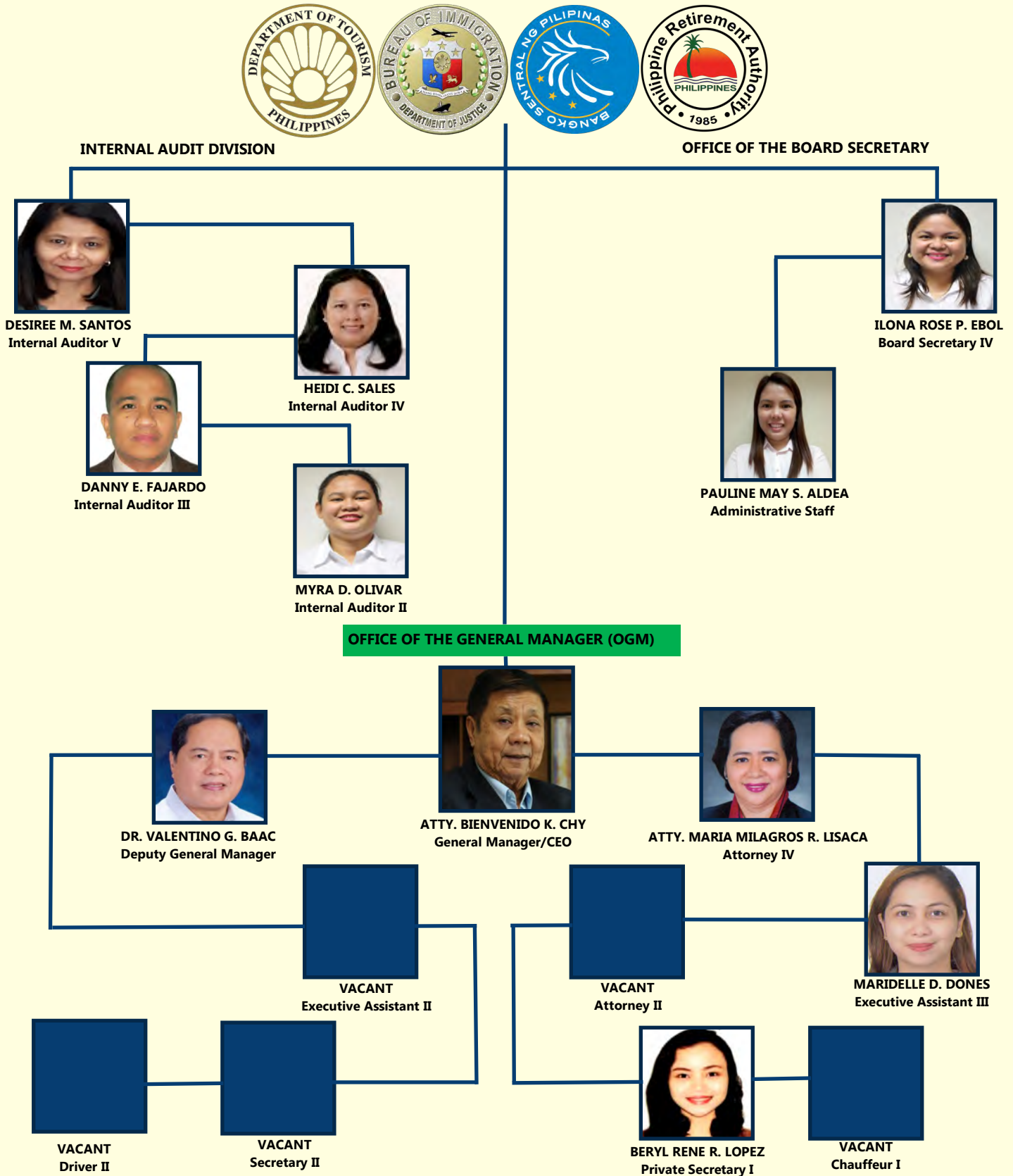
Bachelor of Laws
*(University of the
 Philippines-Diliman)*

BS Foreign Service
*(University of the
 Philippines-Diliman)*

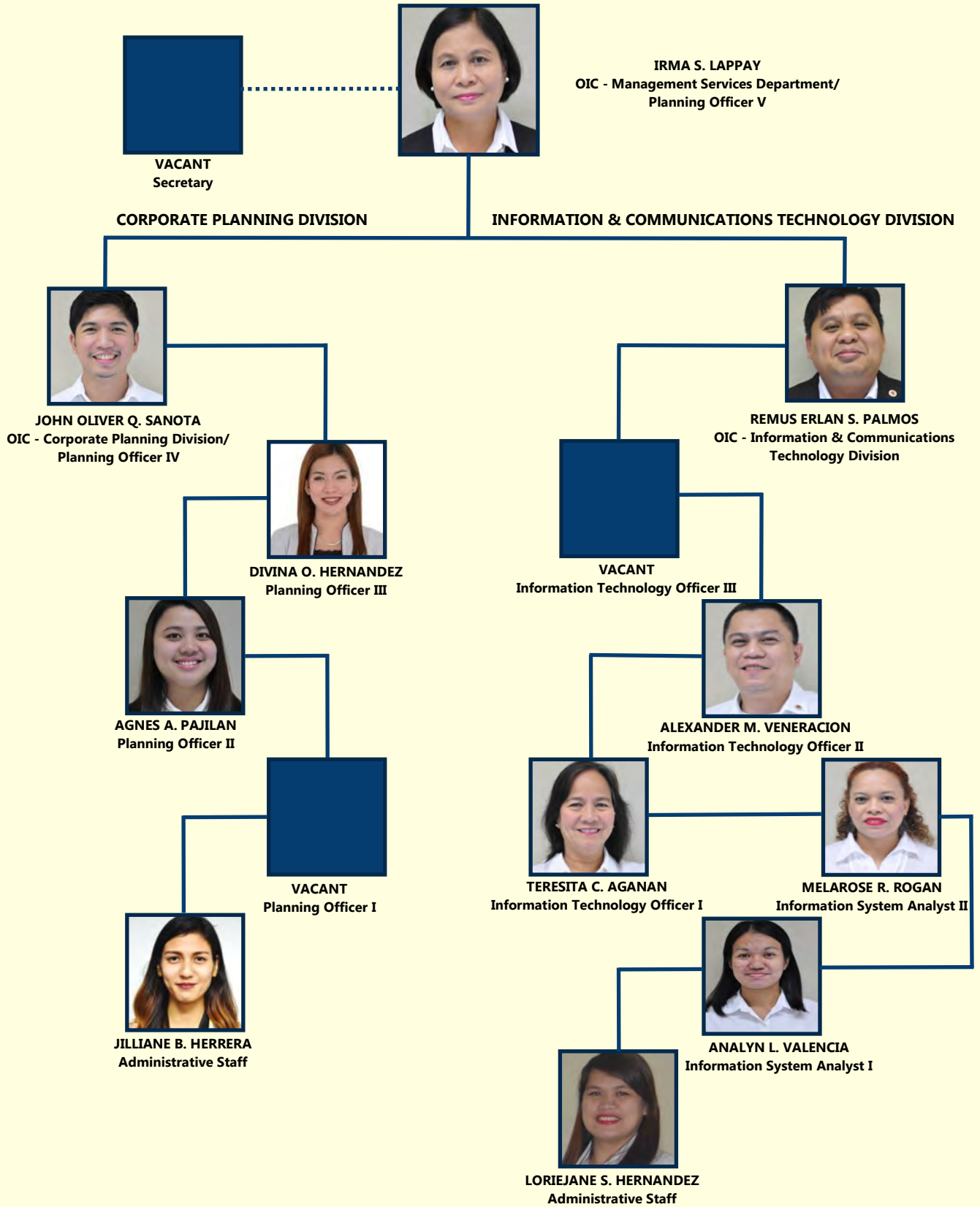
**Employment
 Highlights:**

Acting Chief, Board of
 Special Inquiry
 Bureau of Immigration
(January 2016—Present)

THE PRA ORGANIZATIONAL STRUCTURE *(As of December 31, 2016)*



MANAGEMENT SERVICES DEPARTMENT (MSD)



RESIDENT RETIREE SERVICING DEPARTMENT (RRSD)

ANNALYN A. ERIA
OIC - Resident Retiree Servicing Department/
Division Chief III



Romichelle R. Turalba
Secretary II

PROCESSING DIVISION

SERVICING DIVISION



FRANCIS JEFFREY L. MARASIGAN
OIC - Processing Division/
Retiree Assistance Officer III



PEDRO S. DEL ESPIRITU
OIC - Servicing Division/
Retiree Assistance Officer IV



GLENEZ S. BUNA
Retiree Assistance Officer III



VACANT
Retiree Assistance Officer IV



ROSEMARIE C. NEPOMUCENO
Retiree Assistance Officer II



JOELSON B. ABELLA
Retiree Assistance Officer II



KRISTIAN ANN G. CAMACHO
Retiree Assistance Officer I



JOANA L. PONCE
Retiree Assistance Officer I



MARTIN G. BUENCONSEJO II
Retiree Assistance Officer I



VACANT
Retiree Assistance Officer I



VACANT
Retiree Assistance Officer III



PAUL MANFRED G. AMPARO
Retiree Assistance Officer II



RUBIE JANE A. BAGUIO
Retiree Assistance Officer II



JORGE M. CABRERA
Retiree Assistance Officer I



VACANT
Retiree Assistance Officer I



REMUS ERLAN S. PALMOS
Acting Supervisor—Satellite Offices

BAGUIO
Satellite Office



VACANT
Retiree Assistance Officer III



FREDERICK D.A. PATI
Retiree Assistance Officer II

CLARK-SUBIC
Satellite Office



SCARLET L. LACHICA
Retiree Assistance Officer III



MARA KRISTINE P. DELA CRUZ
Retiree Assistance Officer II

CEBU
Satellite Office



ELMA A. CORBETA
Retiree Assistance Officer III



JACQUELINE O. CALUMPANG
Retiree Assistance Officer II

DAVAO
Satellite Office

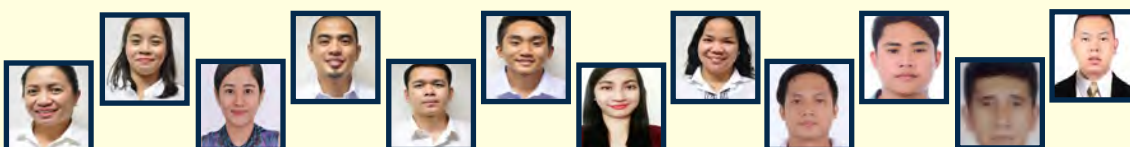


JAIME B. LLAMES
Retiree Assistance Officer III



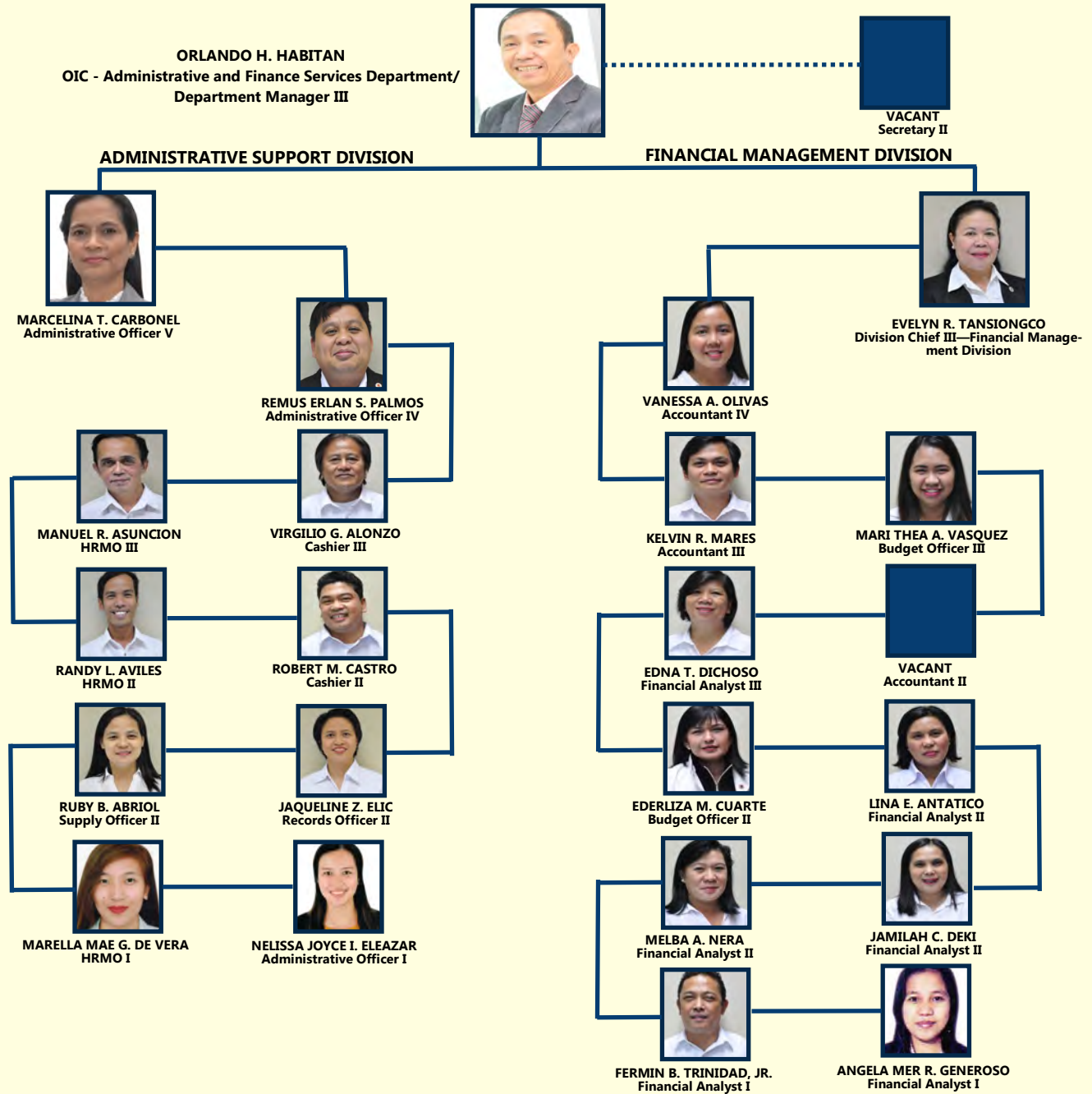
VACANT
Retiree Assistance Officer II

Administrative Staff for RRSD



(L-R): MICHELLE L. MOLINYAWE, JONALYN R. SAGUROS, NYZA MAE E. YAGO, DENNIS P. NUGUID, JOEL T. SALCEDO, PAOLO L. SALONGA, JOANNA MAE B. MONTALES, PERLA P. YASON, RODEL G. ORTEGA, ALEXANDER C. MOSCA, JR., MARK ANTHONY C. CHA-OS, NIÑO ANTHONY SICAT

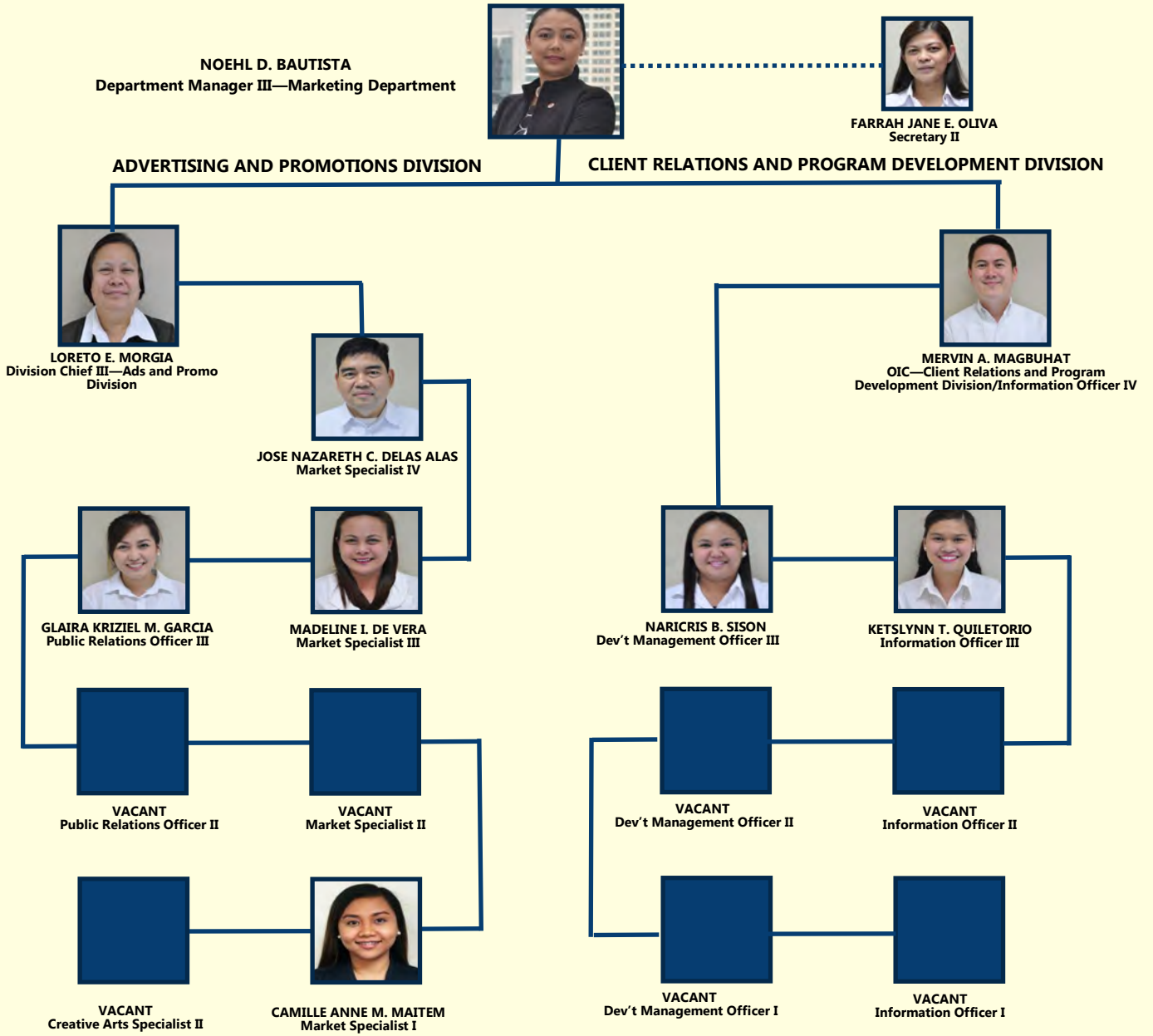
ADMINISTRATIVE AND FINANCE SERVICES DEPARTMENT (AFSD)



Administrative Staff for AFSD



MARKETING DEPARTMENT (MD)



Administrative Staff for MD



(L-R): GERALDINE THERESE M. AGUSTIN, PRINCEBINI V. YACAT, ROLAND S. CASALS, ROMEO B. GENETE, MARIEL JADE MONTEAGUDO, MA. ANA KRISTINA L. NAVERA

THE PRA ORGANIZATIONAL ROLES and RESPONSIBILITIES

OFFICE OF THE BOARD SECRETARY

- * Oversee the planning, preparations, dissemination of agenda and minutes of the Authority's Board meetings;
- * Prepare proposals for consideration of the Board, as the need arises;
- * Record the proceedings of the Board meetings;
- * Inform and/or coordinate with the Board members any activities which may require approval and/or attendance;
- * Prepare Secretary's Certificate for all Resolutions approved by the Board and authorize the release thereof upon instruction by the General Manager;
- * Act as a record custodian of all documents pertaining to the Authority's Board of Trustees; and
- * Perform other functions that may be required by the General Manager and/or by the Board members.

INTERNAL AUDIT DIVISION

Responsible in strengthening the internal control system in the Authority and shall undertake activities designed to ensure that management achieve efficiency of operations, reliability of financial reports and compliance with applicable laws, regulations and internal policies.

OFFICE OF THE GENERAL MANAGER

- * Oversee, direct and control the overall operations and internal administration of the Authority;
- * Direct the enforcement and implementation of orders, policies and directives laid down by the Board;
- * Set the appropriate measures of performance of PRA pertinent to corporate goals and objectives.

OFFICE OF THE DEPUTY GENERAL MANAGER

For and in behalf of the General Manager, oversee, direct and control the planning, implementation, evaluation and overall administration of the programs and operations of the PRA.

MANAGEMENT SERVICES DEPARTMENT

Undertake the development of the Authority's plans and programs encompassing the conceptualization, and implementation of relevant policies and procedures including the preparation of corporate operating budget supportive to and consistent with the Authority's mission and vision.

CORPORATE PLANNING DIVISION

Oversee the implementation of an effective corporate planning, monitoring and control systems within the Authority and of an equally reliable information systems for planning, decision making and control purposes

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION

Ensure proper maintenance and consistent implementation of new technologies and uninterrupted use of data processing system of the Authority.

RESIDENT RETIREE SERVICING DEPARTMENT

Plan, direct, organize and control the activities of the department to ensure the effective and efficient delivery of services to resident retirees.

PROCESSING DIVISION

Formulate and implement policies, manage the processing of the retirees portfolio and coordinate with the accredited banks with regards to their adherence to Authority's policies.

SERVICING DIVISION

Render support and assistance to the Department Manager in planning, organizing, directing and controlling the activities of the Department as well as in the enforcement of systematic systems and procedure.

SATELLITE OFFICES or STATIONS

Established in key growth corridors located at Baguio City, Clark-Subic Area, Cebu City and Davao City to promote the PRA Program in the area, screen and pre-process pertinent documents of the enrollees.

ADMINISTRATIVE AND FINANCIAL SERVICES DEPARTMENT

Manage the financial resources of PRA through the provision of accounting and budgetary services;

ADMINISTRATIVE SUPPORT DIVISION

Render support and assistance to the Department Manager in planning, organizing, directing and controlling activities of the Division as well as in the delivery and enforcement of systematic policy systems and procedures.

FINANCIAL MANAGEMENT DIVISION

Plan, organize control and coordinate the activities of the department in providing adequate funds for established requirements in a timely manner at a cost consistent with prevailing condition and in keeping with the corporate plans and objectives.

MARKETING DEPARTMENT

Plan, organize, direct and control the operations of Marketing Department in accordance with the objectives established by the higher management.

ADVERTISING AND PROMOTIONS DIVISION

Plan, organize, direct, and control the activities of the division in accordance with the specific guidelines and instructions of the Department Manager for Marketing.

CLIENT RELATIONS AND PROGRAM DEVELOPMENT DIVISION

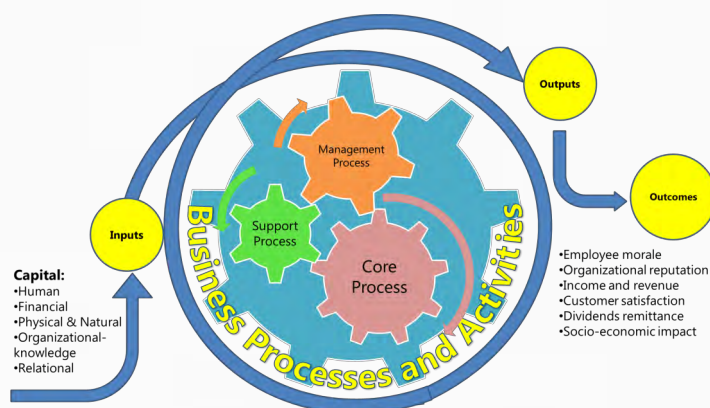
Responsible for the execution and implementation of the Authority's marketing programs and the periodic analysis of the performance of participants as well as the marketing and viability of the programs.



**OUR
BUSINESS
MODEL**

OUR BUSINESS MODEL

Our business model is built on how PRA was able to transform inputs, through business activities, into outputs and outcomes, as simply shown in the illustration below:



INPUTS in the PRA Business Model are defined by the needs and requirements of the customers/ stakeholders. They are basically the capital resources needed to provide the output PRA requires. Values of these capital may increase, decrease, transform through business activities and outputs.

BUSINESS PROCESSES and ACTIVITIES

PRA's business activities are interactions among three business processes. These are:

1. The **Management Process** defines how the organization plans, monitors, and measures performance to ensure that the mandate and goals are attained. Different activities under this process include Strategic Planning, Performance Agreement Negotiation, Management Review, Internal Quality Audit, Policy Formulation and Review, and Stakeholders Feedback Management.
2. The **Core Process** describes all processes which are necessary to realize and deliver the service to customers. It includes Market Development, Creation and implementation of Marketing Plan, Recruitment and Enrolment of SRRV Applicants and Provision of After-membership activities.
3. The **Support Process** explains all requirements that are necessary to manage and control resources. Activities under this process involve management of human resources, financial, procurement, goods and services and IT resources and information.

OUTPUTS in the PRA Business Model refer to the products and services delivered at the end of each business activity or process. For PRA, the key product is measured by the number of foreign retirees enrolled and issued with SRRV and the number of retirees who availed of the PRA after-membership services.

When outputs have been delivered, PRA measures the after effect of the service delivery or the outcomes.

External outcomes are necessary to be determined as they are uncontrollable and can affect PRA's operation. These include: socio economic impact, customer satisfaction, and payment of taxes and dividend remittances.

Internal Outcomes, on the other hand, include employee morale, the reputation of the organization and of course, the revenue, the cash flows and income generated.

OUR KEY RESOURCES

HUMAN



Refers to the PRA's people, their competencies, capabilities, willingness to innovate, ability to understand, develop and support PRA's directions and strategies. The PRA has sustained 68 regular employees and 43 job order personnel. Also, the Administrative Support Division has started conceptualizing the PRA Competency Framework and is looking forward to its implementation in 2017.

FINANCIAL



Includes funds available for use in the issuance of the SRRV and providing services to different stakeholders. Some GOCCs in the country are being subsidized by the government to fund their programs activities and projects in pursuit of their respective mandates. But not for PRA. Since 1994, PRA became self-sustaining and does not rely on government equity to sustain operations. Just like with any other agencies, a Corporate Operating Budget must be approved based on the proposed plans and programs to control and monitor the level of expenditures of PRA.

PHYSICAL and NATURAL



Include tangible assets of PRA that are available for use in the production of tangible outputs and rendering of services: the office space in Citibank building and satellite offices, the machines, equipment and supplies, air, water, etc.

ORGANIZATIONAL-KNOWLEDGE



Includes PRA's different licenses, software, procedures and protocols relevant to the issuance of SRRV.

RELATIONAL

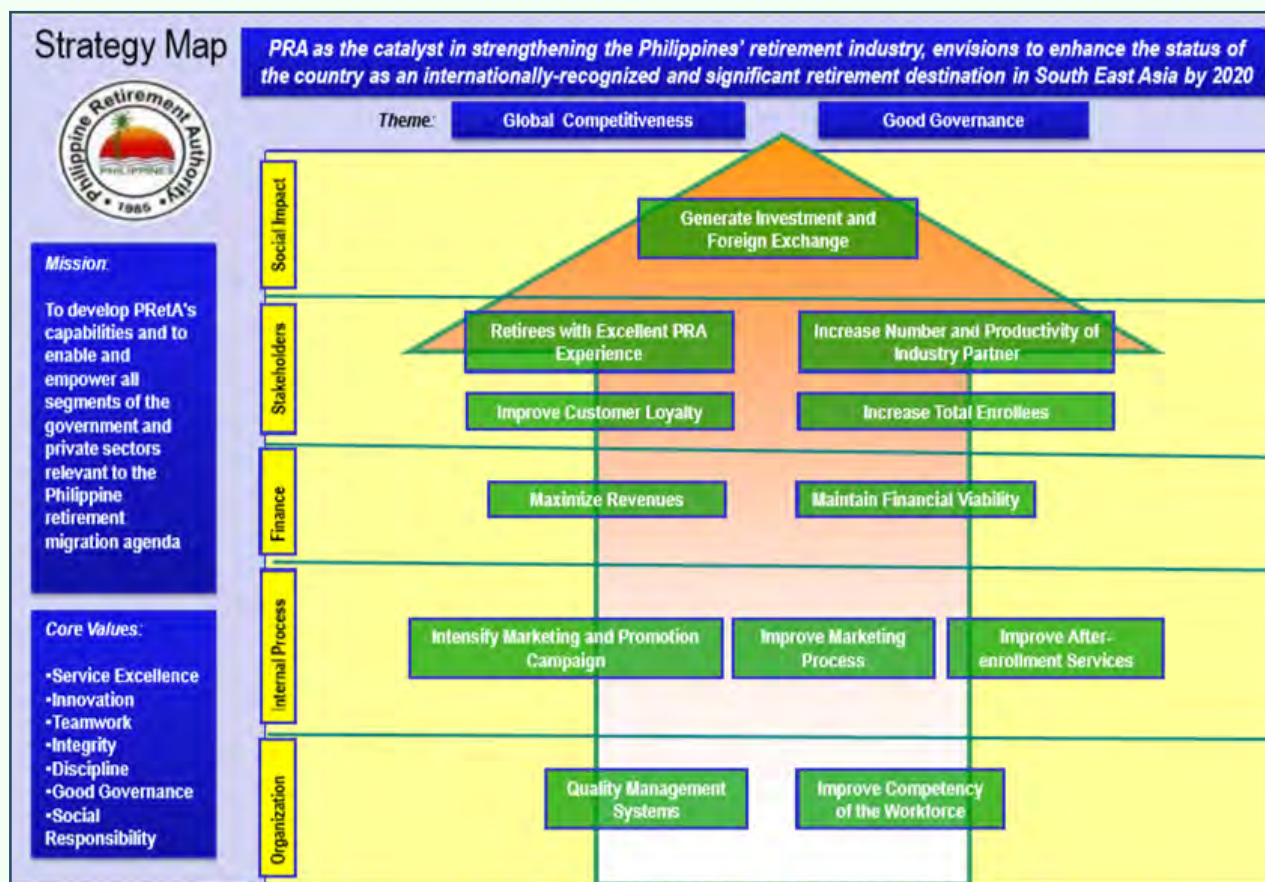


Refers to the social relationships among different stakeholders of PRA, communities, government and industry partners and other networks and affiliates. It includes shared norms, values and behavior, trust and confidence of the stakeholders to engage in business with PRA and the reputation of the Philippines as a retirement haven that PRA had developed.



**OUR
STRATEGY
AND
RESOURCE
ALLOCATION**

THE PRA STRATEGY MAP



A **strategy map**, as they say, is the “story towards the vision connecting different strategic objectives and perspectives logically, along with the mission and core values of the organization.

All items within the strategy map have distinct roles and meaning. They are all pointed towards the vision.

The PRA **Vision Statement** reflects the long-term strategic direction that PRA shall pursue. In 2015, a new Vision Statement was approved during the Performance Agreement Negotiation. PRA made it more specific and realistic to the capacity and mandate of the Authority and measurable as there will be a gauge against other competitors in Southeast Asia, and time bound as there is a definite timeframe/ period for its accomplishment.

The **PRA Logo**, on the other hand, commands ownership of the map.

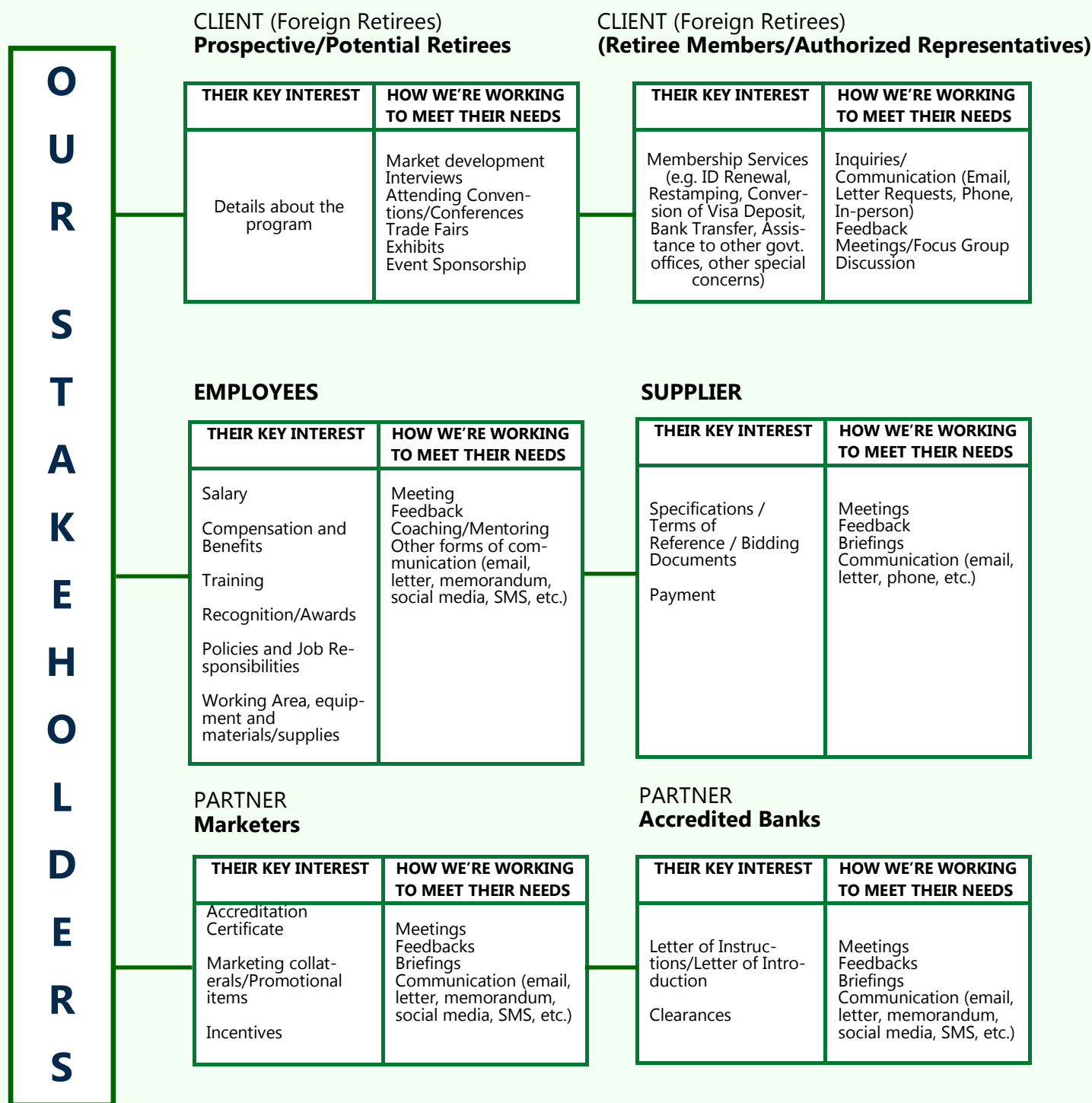
The **Mission Statement** of PRA, restated in 2012, provides the outer limits for defining the Vision Statement. PRA exists as an enabler/facilitator of stakeholders, both the public and private sector.

The PRA **Core Values** are the qualities that we believe are the foundation on which we perform our work. They are PRA’s guiding principles in every conduct and practices.

The **Strategic Themes** “*Good Governance*” and “*Global Competitiveness*” are considered to be the main business strategies that form the basis of PRA’s business model. As the GCG PES Guidebook defined, Strategic Themes are sometimes referred to as “pillars of excellence”. In PRA, we call them the *2G Pillars of Success*: Good Governance because we promote transparency and accountability as public servants and Global Competitiveness because we aim to be the best choice in Southeast Asia for retirement of seniors and elderly around the globe.

STAKEHOLDERS MANAGEMENT

PRA identifies each stakeholder's requirements to ensure that the organization's actions, objectives, and policies in line with attaining its goal will meet and exceed the stakeholder's expectations.



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**PARTNER
Depository Banks**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Letter of Instructions	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**PARTNER
Prospective Banks**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Information Bank Accreditation MOA	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**PARTNER
Merchant Partner/Clinics**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Certificate as Partner/Accredited Clinic Payment Referral	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**PARTNER
Other Merchant Partners (Hotels, Health and Wellness, Resorts, etc.)**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Accreditation Certificate and Sticker PRA to promote their facilities and services	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**OFFERORS
Retirement Facilities**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Accreditation Certificate and Sticker PRA to promote their facilities and services Assistance in processing the application of retiree for visa deposit conversion Clearances	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**OFFERORS
Non-accredited Retirement Facilities**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Assistance in processing the application of retiree for visa deposit conversion Clearances	Meetings Feedbacks Briefings Communication (email, letter, memorandum, social media, SMS, etc.)

**OTHER GOVERNMENT AGENCIES
Regulatory/Statutory Agencies**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Payment of Statutory Liabilities (Tax, Dividends, Mandatory Premiums, etc.) Reports, Reply Letter Participation in program and policy development and implementation	Formal communication (circulars, letters, policies, etc.) Meetings

**OTHER GOVERNMENT AGENCIES
Partner Agencies**

THEIR KEY INTEREST	HOW WE'RE WORKING TO MEET THEIR NEEDS
Reports, Reply Letter, Documentary Requirements Fees Participation in program and policy development and implementation	Formal communication (circulars, letters, policies, etc.) Meetings Citizen's Charter Website Journals

THE PRA QUALITY POLICY

The PRA Top Management recognizes the importance of understanding, meeting, and enhancing the stakeholders' requirements. As such, the PRA Quality Policy is established. The PRA Quality Policy is the Authority's

statement of intent and commitment to render quality service, relevant to the mandate and purpose of the Authority, and updated to ensure appropriateness in PRA's operations and processes.



PRA QUALITY POLICY “L.E.S.S. is BEST”

PHILIPPINE RETIREMENT AUTHORITY, mandated to promote and develop the Philippines into a retirement haven to accelerate the country's socio-economic development, commits to:

- Provide quality service to achieve the stakeholder's satisfaction;
- Promote culture of excellence and shared responsibility to build organizational strength;
- Conform to relevant requirements and standards to maintain quality management system;
- Adhere to continually improve the effectiveness of management system; and
- Abide by applicable statutory and regulatory requirements in pursuit of the aforementioned.

The PRA Quality Policy is communicated and cascaded throughout the organization by:

- * Discussing the policy and key elements with new employees as part of their orientation;
- * Displaying QMS Information in strategic locations within PRA Head office and Satellite Offices;
- * Incorporating QMS in employee trainings and seminars;
- * Issuing memoranda and special orders re: QMS updates;
- * Regularly including QMS in the meetings such as Management Committee (Mancom) and phases of the Strategic Planning; and
- * Announcing QMS updates in venues such as flag ceremonies and other employee assemblies on an on-going basis.

The PRA Top Management reviews at least once a year the PRA Quality Policy statement and key system elements to ensure the appropriateness, effectiveness, and continued suitability of all these to the organization.

THE PERFORMANCE SCORECARD TARGETS (CY 2016)

The Strategic Objectives are the strategic priorities that PRA must undertake to achieve the vision. Each Strategic Perspective has different Strategic Objectives and each Strategic Objective has different Strategic Measures. The Strategic Measures are more familiar to us as the key performance indicators (KPI).

Achievement of target or below target has a corresponding weight in the scorecard to determine the overall rating of PRA. All of these are reflected in a Balance Scorecard or the Performance Scorecard of the Performance Agreement with the GCG, which is a more detailed illustration of the strategy map.

Demonstrated below is the 2016 Performance Scorecard with Targets per Strategic perspective

01 SOCIAL IMPACT PERSPECTIVE

Strategic Objective	Strategic Measure	Formula	Weight	2016 Target
1) Generate Investment and Foreign Exchange	Annual Foreign Currency Generated from Visa Deposit	Net Visa Deposit	5%	US\$50,000,000
	Establish a System that will monitor the Actual Expenditures of Retirees (<i>spend on conversion, household, services, medical, etc.</i>)	All or Nothing	5%	Establishment of Baseline

02 STAKEHOLDERS PERSPECTIVE

Strategic Objective	Strategic Measure	Formula	Weight	2016 Target
1) Retirees with excellent PRA experience	Customer Satisfaction Rating	Rating Scale Below Satisfactory=0	5%	Satisfactory or its equivalent percentage
2) Improve Customer Loyalty	Retention rate for the Year	[1- (Withdrawal at the end of rating period / Net Enrollment Beginning Balance)] x 100% Rating Scale: <95% - Poor = 0% 95% to 96.9% - Good = 5% 97% and above – Excellent = 10%	10%	>97%
3) Increase Total Enrollees	Net Enrolment for the Year	Net Enrolment at the end of rating period = Gross Enrolment – Cancellation for the Year	15%	5,100
4) Increase Number and Productivity of Industry Partners	Number of Principal Retirees enrolled by Marketers at the end of rating period	Absolute Number	5%	2,500

03 FINANCE PERSPECTIVE

Strategic Objective	Strategic Measure	Formula	Weight	2016 Target
1) Maintain Financial Viability	Revenue Generated	Gross Income from Operations + Interest Income from Visa Deposit	10%	PHP 660,731,234.39
2) Maximize Revenues	Net Operating Income	Revenues + Interest Income from Visa Deposit – Operating Expenses	10%	PHP 414,411,259.54

04 INTERNAL PROCESS PERSPECTIVE

Strategic Objective	Strategic Measure	Formula	Weight	2016 Target
1) Intensify Marketing and Promotion Campaign	Percentage of Marketing and Promotion Activities based on the Approved Marketing Plan	Number of Conducted Marketing Activities/Total Number of Board-Approved Activities	5%	95% realization of targets set in the marketing plan <i>(Note: Targets in terms of potential lead and leads followed-up)</i>
2) Improve Marketing Process	Percentage increase in the number of walk-in Principal Member with approved applications (principal only)	$(\text{Current year actual} - \text{Prior year actual}) / \text{Prior Year Actual} \times 100$	5%	16%
3) Improve After-Enrolment Services	Number of Retirees availing of Post-enrolment Services	Absolute Number	5%	90% of requests with complete documents are processed.
	Average Number of Post-Enrolment Services availed of per Retiree	Average Number of Post-enrolment Services availed of per Retiree	5%	Establishment of Baseline

05 LEARNING AND GROWTH PERSPECTIVE

Strategic Objective	Strategic Measure	Formula	Weight	2016 Target
1) Quality Management System	ISO 9001 Certification	All or Nothing	10%	Maintain ISO Certification
2) Improve Competency of the Workforce	Development of Board-approved Competency Model	All or Nothing	5%	Implementation of Competency Model and establishment of baseline

THE STRATEGIES and ACTIVITIES for CY 2016

Local and international marketing activities are equally important in promoting the retirement program. The Authority's presence at these activities opened doors to attracting expatriates, inviting individuals/companies to become PRA marketers and strengthening partnership with retirement industry partners. In 2016, 104 sales calls for potential retirees, marketers, and industry stakeholders were conducted. Also, the Authority participated 47 local and 14 international promotional activities as exhibitor, sponsor, speaker, partner in promotional activities including seminars and conferences organized by private entities and other government agencies.

LOCAL MARKETING PROMOTIONS

14th JOINT FOREIGN CHAMBER NETWORKING NIGHT Marriot Grand Ballroom/September 22, 2016

As one of the biggest networking event, PRA became a partner on this event which offers an opportunity to launch and build understanding of the purpose of the Authority and the SRRV program among the foreigners and other probable clients.

Ms. De Vera was one of the Marketing staff who represents PRA.



WORLD TRAVEL EXPO SMX Convention Center/October 7-9, 2016

PRA is linked as one of the exhibitors for the event which serves as a great opportunity to tap potential clientele to strengthen our market thru increasing awareness on our SRRV program.

Ms. Agustin and Ms. Monteagudo manned our booth on the event.



KABUHYAN NATIONAL LIVELIHOOD AND TRAVEL FAIR 2016 SM Megatrade, SM Megamall/November 10-14, 2016

This event had invited foreign community as this showcased the local products and services of every region in the country. Being a partner-sponsor of the event, this served as an evident chance for PRA to interact and convince foreign retirees to consider our SRRV program.

Ms. Agustin and Ms. Navera handled our booth on the event.



INTERNATIONAL MARKETING PROMOTIONS

ITB Berlin

Former General Manager Valentino L. Cabansag (second from right) led the PRA Delegation at the Internationale Tourismus Börse (ITB) held last 09-13 March 2016 in Berlin, Germany. Also in photo (L-R) are PRA Marketing Manager, Ms. Noehl Bautista, Department of Tourism Undersecretary Benito Bengzon Jr., PRA retiree-member Mr. Eli van Ingen, and PRA accredited marketer, Ms. Mary Rose Baranda.



MIPIM (Real Estate Investment Show)

The Philippines was well-represented through the joint efforts of the government and the private sector during the Le marché international des professionnels de l'immobilier (MIPIM) last 15-18 March 2017 in Cannes, France



LONG STAY FAIR

PRA delegates with the Officers of Dela Cruz Co. Ltd. at the Long Stay Fair in Tokyo, Japan held last November 26, 2016.

(From L-R: Ms. Noehl Bautista, Ms. Mylee Bool, Mr. Ryosuke Sasake, GM Bienvenido Chy, Atty. Estanislao Canta, and Mr. Mervin Magbuhat)



NIKKEI BUSINESS FORUM

GM Bienvenido Chy during his presentation of the SRRV visa in a regional business forum in Japan last November 22, 2016. GM Chy pointed out before an audience of regional business foundation leaders the faster processing of special retiree's visa.



New PRA General Manager Bienvenido Chy (center) makes his first courtesy visit to the Philippine Embassy (PE) in Tokyo, Japan where he was received by newly installed Chargé d'Affaires, Hon. Eduardo Meñez (center). Also joining them in the photo (L-R) are PRA's Marketing Manager, Ms. Noehl Bautista; PE Tokyo's Deputy Chief of Mission, Hon. Marian Jocelyn Tirol-Ignacio; Tourism Attache, Ms. Gwendolyn Batoon; Bureau of Immigration Acting Chief for Special Concerns and PRA Board of Trustees Alternate Member, Atty. Estanislao Canta; and Client Relations Division Head, Mr. Mervin Magbuhat.

GM Bienvenido Chy, Ms. Noehl Bautista and Mr. Mervin Magbuhat shares updates regarding the retirement program to Mr. Yusuke Fukumura of Waseda Frontiermind, one of PRA's partners in Tokyo, Japan.



The marketing staff continued its monthly briefings for potential retirees and marketers by inviting expatriates, local travel, and tour operators and service providers. These briefings have closed the deal for some expatriates who were then unsure about the SRRV and have likewise made marketers more equipped in promoting and processing the SRRV.

RETIREES' BRIEFING

Regular retirees' briefing is conducted every month by the Marketing Department to convey clear information about the SRRV program to the potential retirees to help them be more aware of the program. Ms. Mackee Navera, Admin Staff of the Department, enlightens the prospective retirees.



MARKETERS' BRIEFING

Marketers indeed aid in promoting the SRRV to prospective retirees. A consistent briefing is organized every month for prospective marketers who opt to help PRA invite and entice foreign retirees to retire in the Philippines by acquiring the SRRV.





To create awareness in the mind of the prospective retirees about the convenience of SRRV, and to intensify the image of the Authority, PRA utilized various available and cost-effective means of advertising in different traditional and non-traditional types of media both local and international. This was a part of the Awareness and Maintenance Campaign of the Authority. In 2016, a total of 1,892 advertisements were placed .

ELKS CLUB 14th PRESIDENT'S CUP ANNUAL CHARITY GOLF TOURNAMENT

To restore relationships among PRA members, an annual charity golf tournament was participated by GM Chy.



ROAD TO ISO 9001-2008

CASCADING OF QMS DOCUMENTS

To involve the whole organization in the establishment of PRA's Quality Management System (QMS) certifiable to ISO 9001:2008, all regular employees, job order personnel and contracted security guards attended the cascading of the QMS documents and procedures.



2-DAY UNIT DOCUMENT AND RECORDS CONTROLLER TRAINING/WORKSHOP

To help the UDRcons and CDcon understand and imbibe the responsibilities in the Documents and Records Control Procedures, a 2-day training/workshop was conducted last February 17 and 19, 2016 at the PRA Briefing Room/Training Area attended by the UDRcons of each division.



INTERNAL QUALITY AUDIT at PRA HEAD OFFICE

To ensure that Quality Management System (QMS) conforms to the planned arrangements and requirements of ISO 9001-2008, PRA QMS Core team attended technical guidance sessions with DAP and an internal quality audit was conducted at the PRA Head Office.



MANAGEMENT REVIEW

The QMS Core Team attended the Management Review with the aid of Development Academy of the Philippines (DAP) to ensure the continuing suitability, adequacy and effectiveness of the QMS.



READINESS ASSESSMENT

To evaluate and determine the extent of conformance of the QMS with the ISO 9001:2008 requirements and to recommend actions to be taken in order to eliminate gaps, Final Readiness Assessment was facilitated by DAP attended by all the employees.



SATELLITE OFFICERS CONTRIBUTION

HOT AIR BALLOON FESTIVAL

A fun and colorful activity that Pampanga is known for – the Hot Air Balloon Festival was participated by Ms. Sky Lachica of PRA Subic/Clark Satellite Office, PRA personnel and PRA retiree-members.



SINULOG FESTIVAL

Ms. Elma A. Corbeta of PRA Cebu Satellite Office and Mr. Mervin A. Magbuhat (OIC-CRPDD) joined our retirees on the celebration of one of the grandest and most distinguished festivals in the Philippines – the Sinulog Festival.



PANAGBENGA FESTIVAL

(From L-R) Mr. Frederick Pati of Baguio Satellite Office, DGM Valentino Baac, and GM Bienvenido Chy joined the month-long annual flower festival occurring in Baguio City.

GM Chy had been interviewed by media during the celebration of the flower festival.



KADAYAWAN FESTIVAL

Ms. Noehl D. Bautista, Department Manager-Marketing Department, had an interview with Sonshine Media Network International (SMNI).

Mr. Mervin Magbuhat, Ms. Ketslynn Quiletorio, and Mr. Jaime Llamas also joined the celebration.



PRA's 31st FOUNDING ANNIVERSARY

PRA celebrated another year of milestone with the theme "Recognizing the Achievers in the Retirement Industry" held last July 1, 2016 at the Philippine International Convention Center (PICC).

Department of Tourism Secretary Wanda T. Teo (center) with PRA former GM Valentino Cabansag and other DOT Officers

PRA employees with Secretary Teo, Usec. De Castro, and GM Cabansag



MARKETER'S YEAR END PARTY

PRA conducted its year-end activities to give recognition to its accredited marketers and partners in Clark, Cebu, Davao, and Metro Manila.

An annual recognition to our accredited marketers was held at the Berjaya Hotel, Makati City to seal continued cooperation and support of our PRA marketers who promote the SRRVisa to potential retirees.



YULETIDE CELEBRATION

YULETIDE CELEBRATION at PICC

The PRA employees, PRA retiree-members and other distinguished guests are gathered to celebrate and enjoy a blissful and longest festive season—Christmas season, at the Philippine International Convention Center (PICC) on December 16, 2016.



YULETIDE CELEBRATION at SATELLITE OFFICES

Retiree-members were entertained and actively took part in the appreciation parties held at the various PRA Satellite Offices hosted by PRA to recognize their invaluable support and contribution.



CEBU Satellite Office

DAVAO Satellite Office

CLARK Satellite Office

PRA CHRISTMAS PARTY

Last December 2016, PRA employees got together for a Christmas Party Salu-salo. Singing contest and dance party were enjoyed by employees which prolonged the celebration.



Each department/division prepared their effortful and impressive performances to compete for the finest group of PRA to which the talents and resourcefulness of every employee are unveiled.



Every department/division placed a remarkable presentations to which the Management Services Department (MSD) with the "puppeteer" theme earned the victory.



SEMINARS/TRAININGS

To boost the skills, capabilities, and knowledge of employees that would lead to quality performance, PRA sent them to trainings/ seminars conducted by accredited training institutions.



GENDER and DEVELOPMENT SEMINAR



PUBLIC SERVICE ETHICS and ACCOUNTABILITY

SPORTS FEST

PRA employees are gathered in a team picture taken at Poblacion Sports Complex, Makati City last June 5, 2016. This activity promoted a keen and healthy competition among the employees under an atmosphere of sportsmanship and camaraderie.



EARTHQUAKE DRILL

On June 22, 2016, an earthquake drill was participated by the employees in order to be prepared and well-informed on how to avoid the hazards earthquake may bring.





**OUR
PERFORMANCE**

THE PERFORMANCE SCORECARD ACCOMPLISHMENTS (CY 2016)

01 SOCIAL IMPACT PERSPECTIVE

The Social Impact Perspective covers the national and community-wide impact of the PRA's products and services. The strategic objective (SO) under this perspective is to generate Investment and Foreign Exchange measured in terms of the annual foreign currency generated from visa deposit and the establishment of a system to measure the actual spending of our retiree members. Accomplishment for these two (2) strategic measures are as follows:

a) Annual Foreign Currency Generated from Visa Deposit

One of the Strategic Measures under the Social Impact Perspective is the amount of Net Foreign Currency generated from visa deposits. It takes into account both the visa deposit brought in through enrollment, and visa deposits taken out due to cancellation of SRRV Membership.

Visa Deposits generated for the year amounted to **\$38,093,500.00** or 76% of the target.

2012	2013	2014	2015	2016
US\$ 22,769,600	US\$ 28,486,000	US\$ 38,808,000	US\$ 36,323,000	US\$ 38,093,500

b) Establishment of a system that will monitor the actual expenditures of retirees

In 2016, PRA planned to establish a baseline of retiree-members' expenditure generated from the conducted **Retiree Expenditure Measurement System** or **REMS** survey. However, due to the slow response rate, PRA was not able to reach the total target samples at the end of the year, ending up with **38%** only of the expected responses. Success of this project can provide the closest approximation of the relevance of the program in terms of foreign retirees' spending while they are in the Philippines.

For 2017, PRA will continue the survey. Upon reaching the computed number of the target survey respondents, PRA will establish a baseline which is actually the commitment/target for this measure.

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	Approved by the Management to be implemented in 2016	Currently receiving responses <i>(38% of the target sample)</i>

02 STAKEHOLDERS PERSPECTIVE

The stakeholders' perspective of the scorecard refers to the performance of the PRA in relation with these stakeholders. This perspective has four (4) strategic measures:

- * To have retirees with excellent PRA experience
- * To improve customer loyalty
- * To increase total enrollees; and
- * Increase the number and productivity of industry members

The PRA scorecard has one strategic measure for each of the SO under this perspective. Accomplishments in 2016 for each measure are as follows:

a) Customer Satisfaction Rating

A Customer Satisfaction Rating of at least "Satisfactory" or its equivalent percentage must be achieved. However, due to constraints with the budget which made it hard to undertake the project at the given timeline, PRA decided not to push through with it in 2015 but on the next year instead. As of December 2016, the project has been awarded and undergoing contract review. Actual conduct of the survey is expected to be attained by 2017.

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	On-going Procurement Process	Awarded <i>(For Contract Review)</i>

b) Retention Rate for the Year

In terms of improving customer loyalty through retention of retirees, PRA placed a ceiling on the allowed maximum number of withdrawals or cancellation from the program. The target for the year is to achieve $\geq 97\%$ retention of all those cumulatively enrolled in the program from the previous calendar year. By the end of 2016, the Authority achieved **96.33%** retention rate.

2012	2013	2014	2015	2016
95.95%	95.99%	96.51%	96.85%	96.33%

c) Net Enrollment for the Year

The Net Enrolment (NE) is computed as Total Gross Enrolment for the year less Total Cancellation. In 2016, PRA achieved an NE of **4,384** retirees which is 86% of the target. It is 5% higher than 2015.

2012	2013	2014	2015	2016
2,573	3,076	3,956	4,155	4,384

d) Number of Principal Retirees enrolled by Marketers at the end of Rating Period

Marketers, being one of the well-regarded affiliates of PRA, conduct their business with us by co-promoting the SRRV to potential retirees in return of a \$500 commission for every recruit. PRA included them in the scorecard since every retiree enrolled is a measurement of how efficient and effective PRA is in terms of sustaining a strong relationship with them. The strategic objective is to increase the number and productivity of industry partners like them. In 2016, their productivity is measured through the number of principal retirees enrolled by these marketers at the end of the rating period. These marketers were able to bring in **2,260** principal retirees.

2012	2013	2014	2015	2016
1,409	1,614	2,209	2,070	2,260

03 FINANCE PERSPECTIVE

Finance perspective tries to cover the performance of the organization in terms of how well it manages and improve its finances. Two SOs are identified: maintain financial viability, and maximize revenues.

a) Revenue Generated

The strategic measure in order to maintain the financial viability of PRA is through the revenue generated from operations. In 2016, PRA exceeded the target and achieve a perfect score for this measure.

2012	2013	2014	2015	2016
PHP 346,234,176.25	PHP 413,415,182.04	PHP 525,359,940.67	PHP 655,374,685.85	PHP 683,963,420.00

b) Net Operating Income (NOI)

The Net Operating Income is the strategic measure on determining how well PRA maximized its revenues. In 2016, PRA also exceeded the target NOI.

2012	2013	2014	2015	2016
PHP 218,002,248.63	PHP 280,054,129.04	PHP 356,771,096.50	PHP 459,978,290.43	PHP 489,061,836.00

04 INTERNAL PROCESS PERSPECTIVE

PRA's operations include marketing and processing of the SRRV and provision of post-enrollment services to enrolled retirees. These processes are the focus areas of the scorecard's internal process perspective in order to achieve the vision and breakthrough result. It has two SOs:

- * To improve marketing process
- * To improve after-enrolment services

2016 accomplishment for each are as follows:

a) Percentage of Marketing and Promotion Activities Conducted based on the Approved Marketing Plan

In 2016, PRA has established a baseline for this strategic measure of which the actual realization of targets in terms of no. of leads followed up against the no. of potential leads generated was **75.49%**. The score is equivalent to the average activities conducted by the two divisions of Marketing Department: The *Ads and Promo Division* and the *Client Relations and Program Development Division*.

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	96.52%	75.49%

b) Percentage Increase in the Number of Walk-in Principal Members with Approved Application

PRA must exert extra efforts in increasing the number of enrolment of walk-in applicants. In 2016, actual accomplishment exceeded the target: enrolled walk-in applicants spelled an **16.86%** growth rate.

2012	2013	2014	2015	2016
-9.09%	24.13%	6.67%	11.20%	16.86%

c) Number of Retirees Availing of Post-enrollment Services

After an effective enrollment to the program, PRA strengthen its tie with its retirees by assisting them in their various needs to make their lives more comfortable in the Philippines. These services include but are not limited to: ID renewal and re-stamping, securing permits and various government documents, Social Dynamic activities, conversion of visa deposits into active investments, etc. In 2016, 100% of requests received from January to December are processed.

2012	2013	2014	2015	2016
9,240	11,069	13,960	20,793	100% of requests from January-December are processed

d) Average Number of Post-enrollment Services availed of per Retiree

Part of PRA's program is to provide after-enrollment services (AES) to our retiree-members, for them to enjoy their retirement in the Philippines. In 2016, PRA had established a baseline for the average number of AES availed of per retiree showing an average of **0.03**.

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	n.a.	Baseline established showing 0.03 average post enrolment services availed of per retiree

05 LEARNING AND GROWTH PERSPECTIVE

PRA aligns its human/people, organizational and information capital to improve and support the key processes. The Learning and Growth Perspective covers two strategic objectives: to establish Quality Management System (QMS) and to improve the competency of the workforce.

a) ISO 9001 Accreditation

PRA was not able to get certified of the ISO 9001:2008 Quality Management System (QMS) in 2015 but the ISO journey continues up to 2016 and to be extended in 2017. Final Gap Assessment was conducted by DAP on December 19-20, 2016, and it was concluded that PRA is certifiable to ISO 9001:2008. The Third Party Audit is scheduled not later than the second quarter of 2017.

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	Not yet certified as of December 2015. Quality Manual & Procedures were already approved.	Final Gap Assessment conducted on Dec.19-20, 2016 & Third Party Audit is scheduled in 2017.

b) Development of Board-approved Competency Framework

The Competency Framework, one of the key result areas in 2016 scorecard, is essentially a structured process to help the Human Resource (the workforce) identify and develop their core competencies (skills, behavior, attributes) in relation to the Authority's long-term goals and success. Establishment of a competency framework for PRA will strengthen every aspect of its HR management. The framework will present a competency model with a set of standards and metrics for resource allocation and development of HR systems and processes.

As of December 2016, the required competency framework is undergoing procurement (consultancy).

2012	2013	2014	2015	2016
n.a.	n.a.	n.a.	Competency Framework and Tables submitted to GCG on Dec. 29, 2015.	Undergoing Procurement <i>(Consultancy)</i>

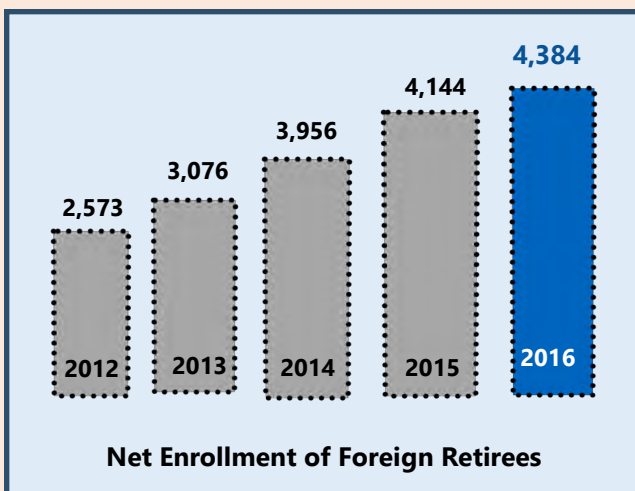
THE SRRV HIGHLIGHTS 2016

After the launch of PRA's rationalized and rebranded visa product line that brought visa deposits and the various fees to the lowest levels possible, enrollment of foreign retirees unceasingly surge in 2016.

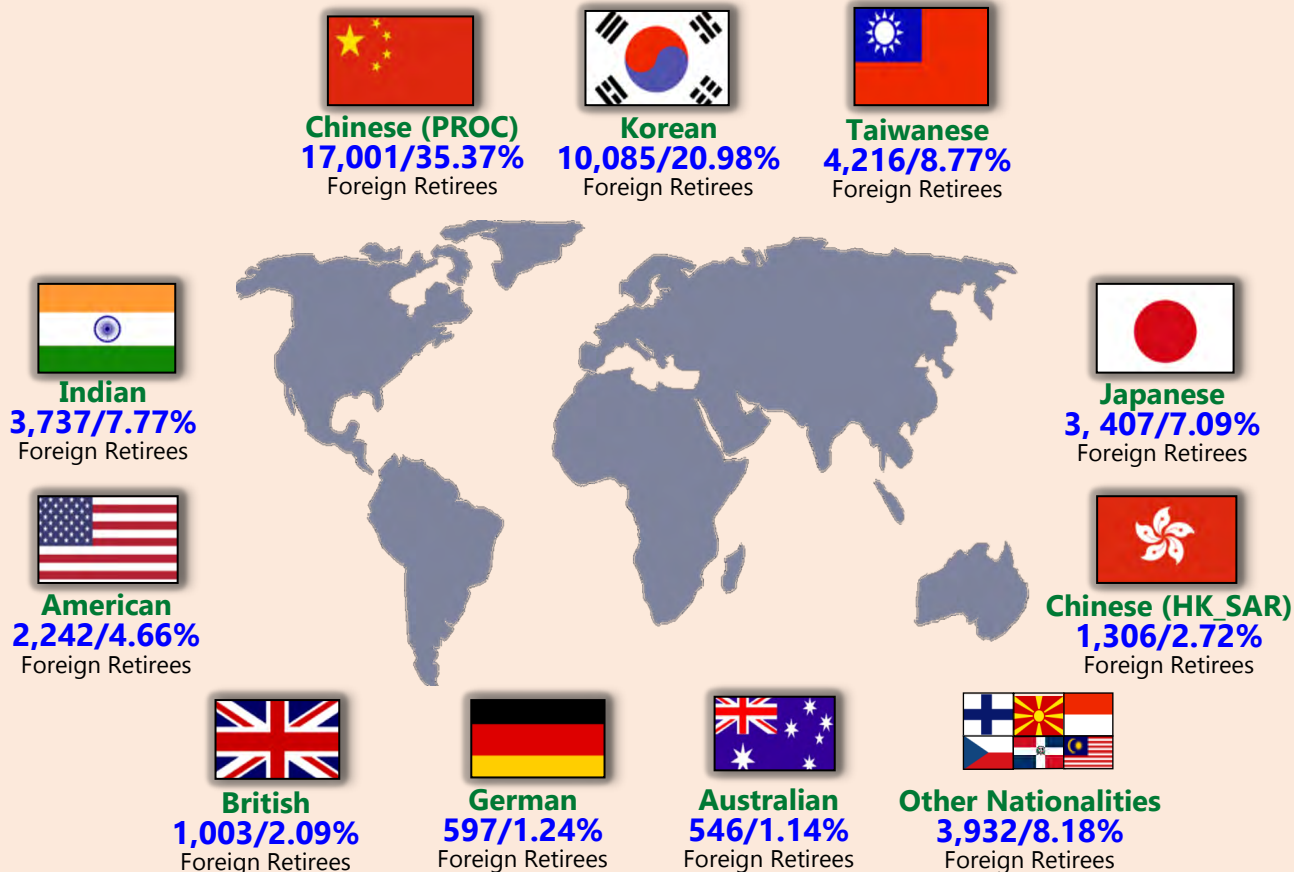
ated to increase enrollment, and after-enrollment services are offered to reduce cancellations.

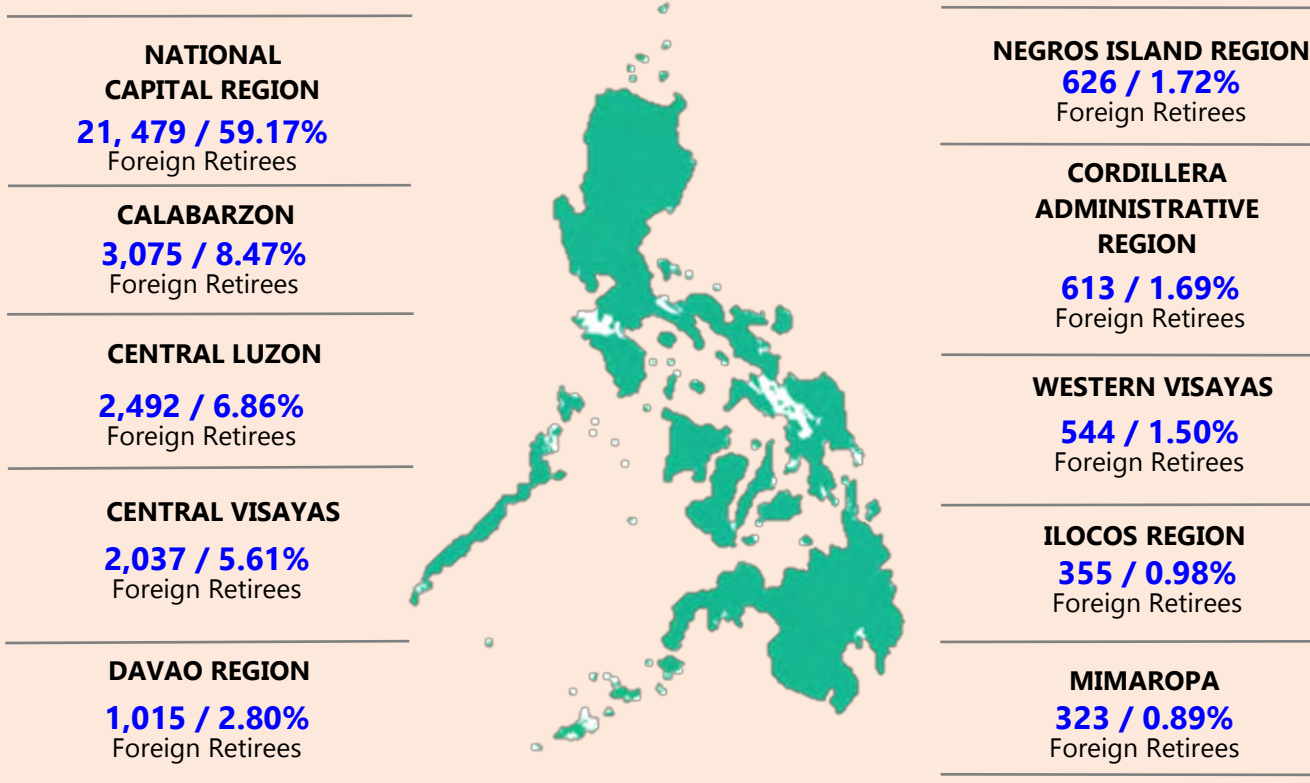
This Product Mix approach of PRA had strengthened its mandate through the enrollment and retention of SRRV members that precisely intensify the socio-economic impact thru foreign currency generated from the visa deposits plus personal and business investments of foreign retirees, and their consumption or in our country.

The effectiveness of this approach is basically measured by the *net enrollment* of the Authority (*Gross Enrollment—Cancellation*). Various promotional activities and tools are gener-



As of December 2016, through the intensive promotions and advertisements worldwide to attain the aspiration of becoming the top retirement destination in Southeast Asia, PRA has accumulated a net enrollment of **4,384** foreign retirees equivalent to 5.80% growth rate which implies an increase in net enrollment from the previous year. Leading the list of the SRRV holders are the Chinese (PROC) with 35.37% of the cumulative enrollment, followed by the Koreans, Chinese-Taiwan, Indians, and Japanese as shown in the illustration below.





With the number of striking places that entice foreign retirees to completely reside in the Philippines, the most preferred region of foreign retirees is the National Capital Region (NCR), which is the center of business and economy in the country. It is a wide proof that foreign

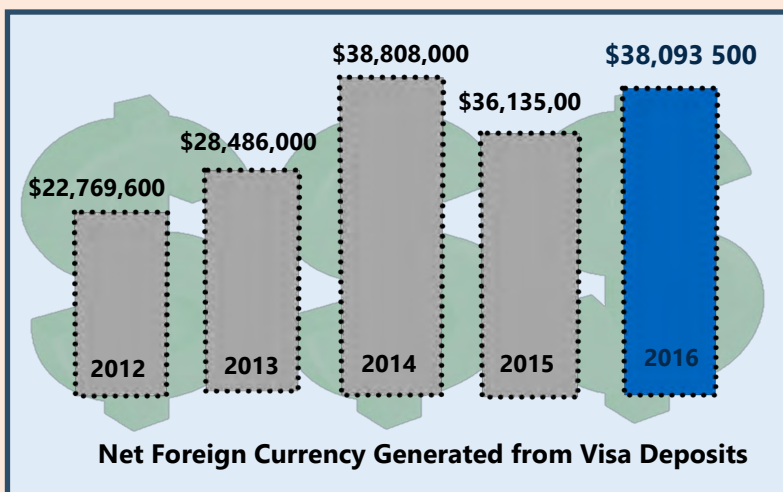
retirees truly support the investments and contribute to employment generation of the country. Please see the figure for the top regions/locations our foreign retirees have chosen to reside.

THE FOREIGN EXCHANGE CONTRIBUTION 2016

Being the channel of making the Philippines a retirement destination in Southeast Asia, PRA continuously strive to develop and promote the country globally resulting to increased inflow of foreign exchange to the country.

In PRA, foreign exchange contribution refers to the visa deposits (includes the deposits of the principal retirees, and their

spouse and dependent) of our retirees in order to be issued with SRRV.

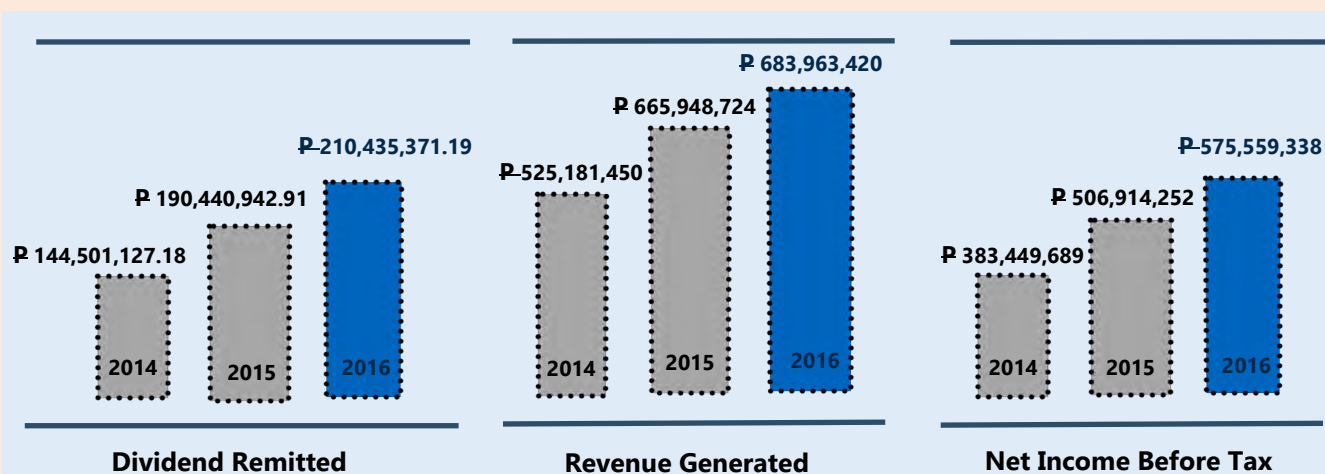


As the enrollment increases, the amount of foreign currency generated also increases. For CY 2016, PRA had gained an amount of **\$38,093,500** from visa deposits only.

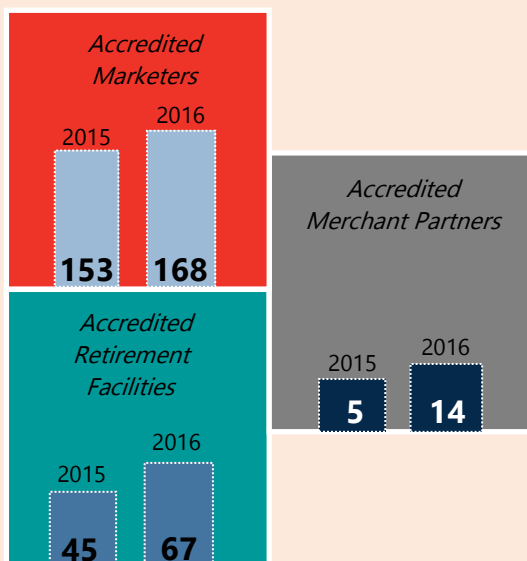
THE FINANCIAL HIGHLIGHTS 2016

Over the years, PRA prospered and became self-sustaining corporation since 1994. And in the years that followed, the Authority had been among the GOCCs consistently remitting annual dividends to the national treasury. In 2016, PRA remitted a total of **PHP 210,435,371.19** to the country's coffer.

The PRA's ways to increase its resources to boost its operations is supported by the upward course of its Revenue Generation and Net Income Before Tax (NIBT) . As of December 2016, revenue generated was **PHP 683,963,420**, remarkably 3% higher than 2015. NIBT, however, increased by 14% in 2016, respectively.



THE ACCREDITATION HIGHLIGHTS 2016

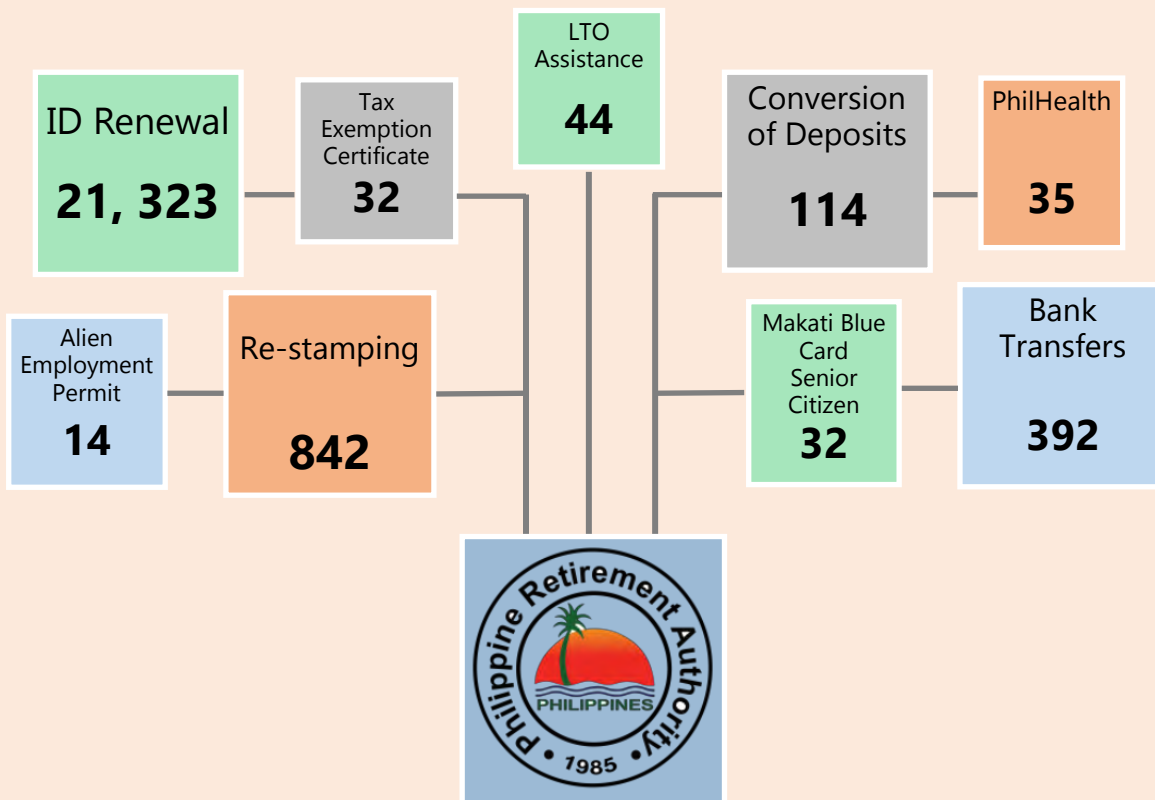


Apart from attracting foreign retirees to our country through our SRRV, PRA sustained its relationship with the private sectors through accrediting their business establishments as "marketers", "merchant partners", and "retirement facilities" (independent and assisted-living).

PRA marketers directly help in the enrollment of foreign retirees whereas merchant partners and retirement facilities aid in providing a quality of life for our retiree-members by offering their products and services to them.

In 2016, PRA was able to accredit total of 168 marketers, 14 merchants, and 67 retirement facilities.

THE AFTER-ENROLLMENT SERVICES HIGHLIGHTS 2016



The operations' major contribution to 2016 accomplishment was mirrored in the enrollment itself. But the core function of the organization was not limited to the processing of applications but also includes rendering of services that add value to the SRRV. PRA, thru its Servicing Division, utilized extra efforts to sustain its retiree-members by means of consistent and determined assistance in numerous diverse requests of the SRRV members.

The highpoints of after-enrollment services rendered for the year 2016 are set out in the illustration above.



**OUR
FUTURE
PLANS**

OUR FUTURE PLANS

Planning is the key to the successful operations of an organization. As the saying goes, “Failing to plan is planning to fail.” It truly helps in the development of a resilient sense of direction and purpose to improve quality service to our stakeholders.

In order to achieve the plans and goals set forth by PRA, the following programs and projects are prepared and organized to be implemented in FY 2017. The budget preparation/planning was done using the Medium Term Expenditure (MTEF), wherein Fiscal Space is determined as the available allocation for the key programs to be implemented for FY 2017, and the Forward Estimates for the ongoing programs. Being a GOCC, whose performance is being measured against a balance scorecard, PRA also uses its performance information, targets and expected outputs in its preparation.



Maintenance of **ISO 9001:2008 Certification** of the PRA Head Office and Satellite Offices and **ISO 9001:2015 Transition**

Quality Management System (QMS), a set of policies, processes, and procedures required for planning and execution in the core business area of the organization, is established in the Authority to:

- Create a more efficient and effective operation
- Improve the quality of service and make delivery on time
- Develop a culture of quality and continuous improvement within the members of the organization
- Decrease costs due to inefficiency, re-work, and delay hence reduces wastes
- Increase customer satisfaction and retention
- Serve as one of PRA's tools in promoting its services, a good foundation for expanding our market.

As of this writing, PRA Head Office's application for ISO is in progress, and the Authority targets to attain the certification in June 2017, including its Satellite Offices (Subic/Clark and Baguio). After the certification, PRA will work on the maintenance of the ISO Accreditation, while making headway for ISO certification of two more sites – (Cebu and Davao Satellite Offices).

Retiree Application Servicing and Billing **Information System (RASBIS)**



RASBIS will serve as the core information system of the Authority. This system shall automate the major functional aspects of SRRV processing particularly visa application, cancellation/ withdrawal, renewal, conversion, monitoring of investment and movement of visa deposit from one bank to another. Other functionalities to be integrated are ID generation, assessment, billing and collection, visa sticker generation, re-stamping and generation of necessary reports. Information and transactional data shall be designed and stored in a structured relational database system that will serve as the central source of information to be used in generating statistical data presented in a dashboard format.



Customer **Satisfaction** Survey

The Customer Satisfaction Survey project is one of the corporate targets on the Performance Scorecard of the Authority for FY 2017 agreed by the Authority and the Governance Commission for GOCCs (GCG) that will measure the level of satisfaction on the services rendered to stakeholders, determine what to improve on processes, products, and services, and enhance effective and successful strategies. The rating will be determined through the conduct of Customer Satisfaction Survey. To observe impartiality, it is also agreed that the survey must be conducted by a third party.



Retiree **Expenditure** Measurement System (REMS)

The Retiree Expenditure Measurement System (REMS), a system that will monitor and measure the actual expenditures of retiree-members (on visa deposit conversion, household, medical services, etc.) has been one of the corporate targets of PRA under Social Impact perspective. This project specifically aims to determine the foreign retirees' demand for goods and services and to determine the impact of retirement industry in our economy.

The system was approved on the first quarter of 2016. Piloting of the survey and data gathering are expected to be finished by the third quarter and the results will be released by the end of the year. A baseline of average expenditures will be established by then. Based on the result, the Authority will review the system and enhance it, if necessary, for the 2017 year implementation.



Implementation of **ICT** Systems

PRA will execute the following Information and Communications Technology (ICT) Systems in 2017:

- a. Financial Management Info.
- b. Customer Relationship Management
- c. Digital Document Management
- d. Asset Management
- e. Human Resource Info.



PEZA Guidelines

PRA and the Philippine Economic Zone Authority will push for updating the standards and guidelines for developers of retirement villages or any retirement related accommodation facilities, to qualify for PEZA Incentives. This guideline will also be used as the standard for PRA accreditation of facilities.



Implementation of **Competency Framework**

The Competency Framework of PRA is one of the new key result areas which will be fully- implemented in 2017. It is essentially a structured process to help the Human Resource (the workforce) identify and develop their core competencies (skills, behavior, attributes) in relation to the Authority's long-term goals and success.

Benefits Reform



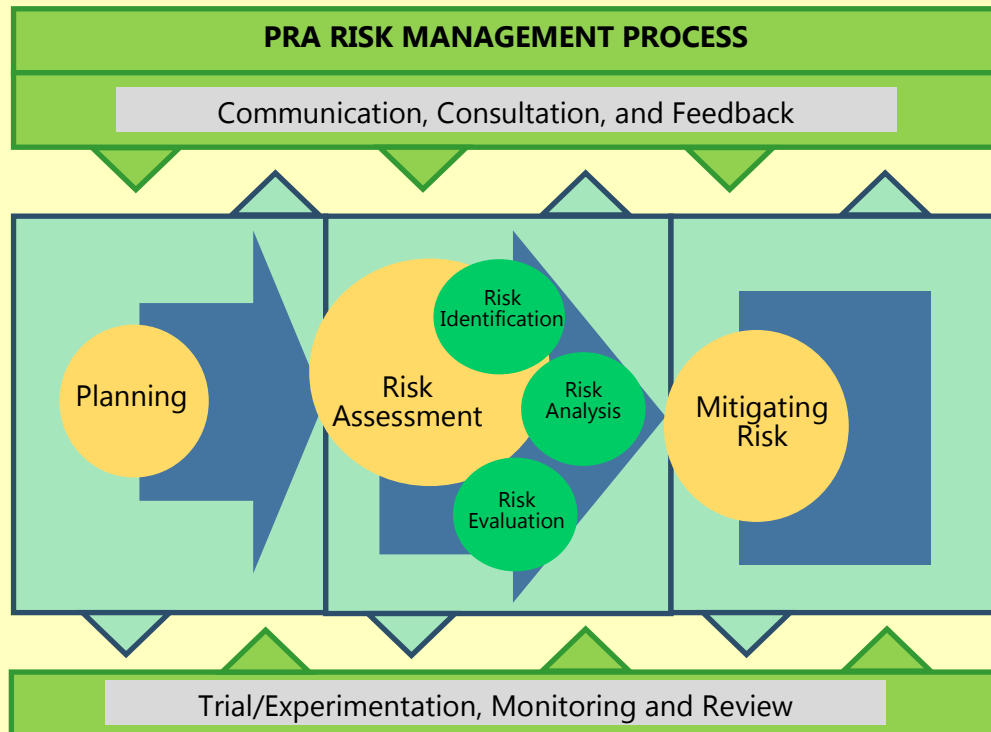
In 2017, PRA will still push to update the 1985 Fiscal incentives to retirees. Such update plus non-fiscal incentives will further boost enrollment and lessen withdrawal from the program. PRA intends to make its revised benefits more aggressive globally.



**OUR
RISK
MANAGEMENT**

OUR **RISK** MANAGEMENT

Risk is the major root of uncertainty in any organization. Risk management is a continuous, dynamic process that is precisely vital in an organization to possibly define its objectives for the future. If a company defines objectives without taking the risks into consideration, chances are they will lose direction once any of these risks hit home. Hence, PRA increasingly focus more on identifying risks and managing them to proactively inhibit or lessen undesired effects and promote continual improvement of its processes. The ability to manage risk will help PRA perform more confidently on future business decisions.



PRA Risk Management Process comprises involvement and combined effort of the entire organization, from the top management down to the rank and file and contractual employees. It is incorporated in the PRA's planning activities to identify and invoke potential problems to alleviate adverse impacts to set the management's direction. In PRA, we consider that every process owners in every division are the ones who can best identify and provide the best preventive measures to potential risks arising within the scope of their functional levels.

Planning in PRA's Risk Management Process involves defining the parameters and setting criteria for managing risk. The Internal Audit Division, on the other hand, is the one responsible for the regular conduct of **Risk Assessment**, which is part of the division's mandate in coordination with the process owners where potential risk is likely to occur. It involves *Risk Identification* where potential risks are being searched, and extracted, recognized and described; *Risk Analysis* where the causes and sources of risk, its potential impact and likelihood of occurrence are broken down, scrutinized and understood; and *Risk Evaluation* where risks are evaluated against the pre-defined criteria. **Mitigating risk** involves developing action plans to mitigate them or reduce undesired effect.

OUR **RISK** MATERIAL FACTORS

RISK	POTENTIAL IMPACT	MITIGATION ACTION
<p>Global Competitiveness</p>	<p>We are not the only show in town. What we want, others also want for themselves.</p>	<p>PRA is exercising thought leadership and is promoting the implementation of PRA RADAR (Retirement Areas Deemed as Retiree-Friendly) Index in every locality which can serve as a global framework in making the Philippines a preferred retirement destination in the world.</p>
<p>Foreign Exchange Fluctuation</p>	<p>PRA generates deposits in US dollars. Currency rates are influenced by numerous fundamental and technical factors such as economic performance, supply and demand of the two currencies, and inflation. The relative strength, or lack thereof, of the dollar against other major currencies will dictate the industry. Retirees' value for money is at stake as the purchasing power decreases. Competitiveness and ranking in the International Living Index is at risk.</p>	<p>PRA, upon maturity of time deposit (in dollars), converts it into Peso and invests in High Yield Savings (for PRA Account only). Also, PRA allows the conversion of the retiree's deposits into investments.</p>
<p>Regulatory Risk</p>	<p>Some potential retirees find it tough to conform Bureau of Immigration (BI) requirements and policies with regard to visa approval and implementation.</p>	<p>PRA is very proactive and inform their customers/retirees well with the BI's requirements and policies.</p>
<p>Fraud/Falsification of Requirements</p>	<p>Retirees submit requirements based on a given checklist. Such submission of requirements is vulnerable to fraud or falsification. There have been cases where some documents submitted were found to have been falsified and procured, this is more of the exception than the rule. At any rate, the human imagination is limitless, and PRA must be ready for imaginative scams.</p>	<p>The Department in charge of the process (Processing Division) has created a system of verification with different government agencies and offers assistance in securing original and authenticated requirements from NBI, DFA and other consular offices.</p>
<p>Accredited Banks' Financial Stability</p>	<p>PRA cannot control the operations of the private accredited banks. It is a risk on the part of PRA and our retirees in case of instability or mismanagement of private banks or worst, bankruptcy.</p>	<p>PRA has accredited a government bank, the Development Bank of the Philippines (DBP) for the retiree's deposits. At the same time, the DBP and Land Bank of the Philippines serve as depository banks of PRA funds. The government banks are known for their stability, hence, exposure to risk is minimized.</p>

RISK	POTENTIAL IMPACT	MITIGATION ACTION
System Security Risk	The increasing sophistication of security breach is a global concern. Any computer systems and networks are prone to malfunction or failure. The material invasion of PRA's system is not impossible as Information Technology is very broad, complicated, and accessible.	The Information and Communications Technology Division (ICTD) continually keeps abreast of developments to assure solutions to block viruses and hackers that could possibly affect PRA's systems. Regular back-up of the server and files are also constantly scheduled.
Good Governance Risk	As a GOCC, PRA regards good governance as good risk management, especially that it involves the Board and the Management performance. There are various good governance conditions that PRA must not just comply with but also understand. The risk of not being able to meet the requirements of good governance poses an impression of a GOCC with weak performance and inadequate governance and management.	PRA has a division (Corporate Planning Division) who will coordinate with the IATF -AO 25 and the GCG for the good governance compliance. The Compliance Officer and the Corporate Secretary participate in different corporate governance seminars and training for capacity building.
Health Risk	As PRA aims for greater number of foreign retirees enrolled, the risk of them being able to transmit communicable diseases also becomes great.	PRA has been very stringent with its policy on the medical examination requirement for SRRV applicants. Also, PRA has accredited medical clinics/facilities for SRRV applicants and has also been strict with the requirements for accreditation.
Property Risk	Plant, Properties and Equipment (PPE) used by PRA in its operations are also prone to property damage and business interruptions.	PRA has property insurance for its PPE.



**OUR
CORPORATE
GOVERNANCE**

OUR CORPORATE GOVERNANCE

Corporate Governance—defined as the framework of rules, systems and processes of the Authority that governs the performance of the Board and the Management. As a GOCC regulated by RA 10149, the Philippine Retirement Authority complies with the good governance conditions set by the Governance Commission for GOCCs (GCG).

The Authority adopts a Code of Corporate Governance as its general reference. In May 2015, the GCG approved the PRA's Manual of Corporate Governance.

Its provisions revolve around 3 **governing principles**:

- (1) Its governance is carried out in a transparent, responsible and accountable manner and with the utmost degree of professionalism and effectiveness;
- (2) A reporting and evaluation system, which will require the periodic disclosure and examination of the operations and management of the Authority, its assets and finances, revenues and expenditures, is enforced;
- (3) The governing board is competent to carry out its functions, fully accountable to the State as its fiduciary, and acts in the best interest of the State.

POWERS and FUNCTIONS of the Board

- (a) To formulate policies, guidelines and programs to effectively implement and carry out the purposes and objectives of the Authority;
- (b) To prescribe and periodically review and revise the amount of the fees, charges and assessments levied and collected for the support and maintenance of the operations of the Authority;
- (c) To control the management, operation and administration of the Authority;
- (d) To promulgate such rules and regulations as may be necessary or proper for the effective exercise of powers and functions as well as the discharge of the duties and responsibilities of the Authority, its officers and employees;
- (e) To authorize such expenditures of the Authority as may be necessary or proper for the effective management, operation and administration of the Authority; (must be included as it is included in EO 1037);
- (f) To approve the annual and supplemental budget of receipts and expenditures of the Authority as may be necessary or proper for the effective management, operation and administration of the Authority;
- (g) To appoint, promote, transfer, remove, suspend or otherwise discipline the Deputy General Manager and other officers of the Authority, occupying executive and senior management positions; and
- (h) To do any and all acts and transact such business as may be necessary or proper for the attainment of the purposes and objectives of the Authority.

MANDATE and RESPONSIBILITY of the Board for the Authority's Performance

- (a) Establish the Authority's vision and mission, objectives, policies, procedures, as well as values and standards;
- (b) Determine the organizational structure of the Authority, define the duties and responsibilities of its officers and employees;
- (c) Provide sound written policies and guidelines on the operating budget and major capital expenditures;
- (d) Comply with all reportorial requirements under the Charter, by-laws and applicable laws;
- (e) Ensure the fair and equitable treatment of all stakeholders and enhancing the GOCC's relation with stakeholders; (GCG MC)

- (f) Provide corporate leadership to the Authority subject to the rule of law, and the objectives set by the National Government through the supervising agencies and the Governance Commission for GOCCs (*GCG*).
- (g) Determine important policies that bear on the character of the Authority to foster its long-term success, ensure its long-term viability and strength, and secure its sustained competitiveness;
- (h) Ensure that personnel selection and promotion shall be on the basis of merit and fitness and that all personnel action shall be in pursuit of the applicable laws, rules and regulations; and
- (i) Approve the Annual Performance Evaluation System (PES) and the Performance Scorecard.

SPECIFIC FUNCTIONS of the Board

- (a) Meet regularly, ideally at least once every month, to properly discharge its responsibilities;
- (b) Determine the Authority's purpose and values, as well as adopt strategies and policies, including risk management policies and programs, in order to ensure that the Authority survives and thrives despite financial crises and that its assets and reputation are adequately protected;
- (c) Ensure the integrity of the Authority's accounting and financial reporting systems, including independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards;
- (d) Create committees as may be necessary, or required by applicable regulations, to assist the Board in discharging its functions;
- (e) Monitor and evaluate the implementation of corporate strategies and policies;
- (f) Adopt a competitive selection and promotion process;
- (g) Monitor and manage potential conflicts of interest of directors, etc. including misuse of assets and abuse in related party transactions;
- (h) Implement a system of internal checks and balances;
- (i) Identify and provide appropriate technology for the identification of risks and performance areas;
- (j) Adopt, implement and oversee the process of disclosure; and
- (k) Conduct and maintain the affairs of the Authority within the scope of its authority.

DISCHARGE of Functions

The Board of Trustees must discharge their duties and responsibilities objectively and in the best interest of the Authority at all times.

Board COMPOSITION

As supported by the Charter, the PRA Board consists of Trustees who are ex-officio members holding office relevant to the nature of the PRA program, its products and services, and activities.

Pursuant to the provisions of the Tourism Act of 2009 and E.O. No. 26 dated August 31, 2001, the Board of Trustees of the Authority as of December 31, 2016 are the following:

Chairman

Secretary of the Department of Tourism

Ms. Wanda Corazon T. Teo
(July 2016-present)

Vice Chairman Chief Executive Officer/General Manager of the Authority

Atty. Bienvenido K. Chy
(November 2016-present)

Members:

- a) Commissioner of the Bureau of Immigration (BI) or his duly designated representative/alternate
- b) Governor of Bangko Sentral ng Pilipinas (BSP) or his duly designated representative/alternate
- c) Duly designated representative from DOT



Board COMMITTEES

Different Board Committees have been created to assist the Board in performing its duties and responsibilities: Immigration Committee, Banking Committee and the Audit Committee.

IMMIGRATION COMMITTEE:

- (a) To resolve immigration related issues.
- (b) To oversee the proper implementation of Immigration Laws in consonance with the PRA charter.
- (c) To review PRA processes relative to B.I.'s approval and cancellation of SRRV.
- (d) To review the documents of SRRV holders with pending and resolved cases in B.I.
- (e) To secure from B.I. the names of all foreign nationals included in the Blacklist

COMPOSITION: Board of Trustees except Chairman

BANKING COMMITTEE:

- (a) To review policies on accreditation of banks as depository for the PRA retirees visa deposit requirements, including policies on applicable fees to be collected from accredited banks.
- (b) To monitor banking activities of PRA and its relationship with its accredited banks.
- (c) To recommend to the PRA Board of Trustees on matters related to PRA bank transactions.

COMPOSITION: Board of Trustees except Chairman

AUDIT COMMITTEE:

- (a) To request the management on the submission of actions taken relative to COA's audit and recommendation.
- (b) To review and discuss reports/outputs submitted by Internal Audit Division (IAD).

COMPOSITION: Board of Trustees except Chairman

MATTERS Requiring Board APPROVAL

The Board of Trustees, is the highest level of Authority in PRA on financial matters specifically the Corporate Operating Budget (COB) and any project which involves capital expenditures (CAPEX) in excess of PHP 1 Million.

Aside from financial matters, the Board also streamline the strategic direction of PRA. Every year, starting 2012, the Board negotiates and approves the Authority's performance targets reflected in the Performance Agreement with the GCG.

Prior to conduct of different promotional activities, the Board also approves the Marketing Plan. This in turn will form part of the projected Marketing Expenses in the proposed COB of PRA, which the Board also approves.

Board MEETING

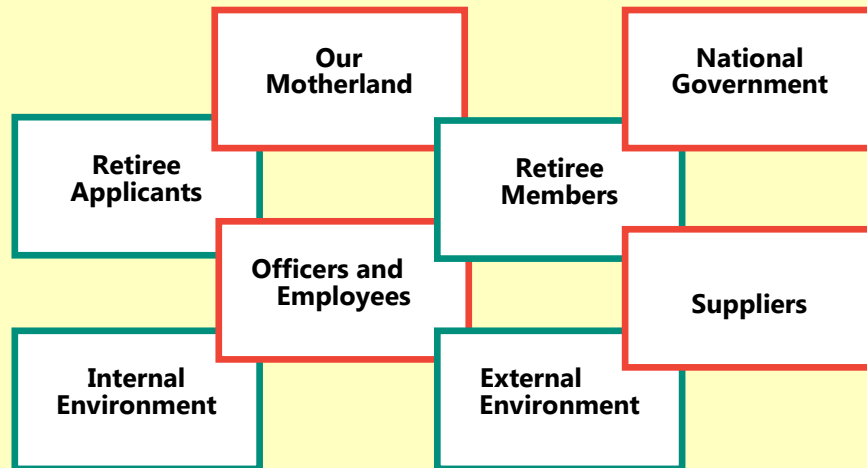
Since majority of the Board members (principal and alternates) are ex-officio or acting by virtue of one's title to another office, they are bound to serve their respective offices on top of their outside memberships. Due to this, Board meetings are hardly scheduled one (1) year in advance or at least marked in the calendar at the beginning of the year.

Minutes of the meetings are circulated to the Board to keep all Trustees updated of the activities, projects, requirements and issues of the Authority. The Corporate Secretary keeps all minutes of the meetings.

The attendance of the Board Meeting in 2016 is shown in the table below.

Name of Director	263rd Board Meeting September 28, 2016, Wednesday, 03:00P.M. 6th Floor, Multipurpose Hall, Department of Tourism The New DOT Building, 351 Sen. Gil Puyat Avenue, Makati City	
	PRESENT	ABSENT/ON OFFICIAL BUSINESS
HON. WANDA CORAZON T. TEO Chairperson	X	
(Vacant) Vice Chairperson		
HON. VICENTE S. AQUINO Member, Bangko Sentral ng Pilipinas	X	
HON. ESTANISLAO R. CANTA Member, Bureau of Immigration	X	

OUR CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility of the Philippine Retirement Authority

For the **Philippines**, our Motherland, we are committed to establish programs/activities geared towards making the Philippines a leading and significant destination for the worlds seniors, retirees, and elderly, as a primary driver for increasing local employment and promoting inclusive socio-economic development.

For the **National Government**, our sole stockholder, we pledge to safeguard its stockholdings, increase taxes paid and its dividend earnings remitted to the National Treasury.

For our **Retiree Applicants**, we will constantly devise tools/activities that will increase the awareness of and the attractiveness to foreign retirees, of the Philippines as a retirement destination.

For our **Retiree Members**, we are committed to enabling and empowering segments of the public and private sectors for excellent service to our members.

For our **Officers and Employees**, we are committed to producing a caring and supportive working environment conducive towards the full development of their human potential.

For our **Suppliers**, both from the public and private sectors, we are providing a level playing field that will give them equal opportunity in promoting their products and services, thus adding value to their businesses.

For our **Internal Environment**, we hope to provide a healthy, safe, and enjoyable environment for our employees, visitors, and contractors.

For our **External Environment**, we seek a sustainable and healthy environment for society in general.



**OUR
FINANCIAL
REPORT**

OUR FINANCIAL REPORT

ANNUAL AUDIT REPORT FOR CY 2016

EXECUTIVE SUMMARY

Introduction

The Philippine Retirement Authority (PRA) was created by Executive Order (EO) No. 1037 dated July 4, 1985 as a corporate body tasked primarily to develop and promote the Philippines as a retirement haven by providing the best quality of life for targeted retirees. The EO also aims to accelerate the social economic development of the country and at the same time strengthen its foreign exchange position.

PRA recommends to the Bureau of Immigration the issuance of Special Resident Retirees Visa, a special non-immigrant visa with multiple/indefinite entry privileges, to qualified foreigners and former Filipino citizens who wish to make the Philippines their second home.

Mandated to attract foreign nationals and former Filipinos to retire, invest and reside in the Philippines and with a vision to make our country a leading and significant destination for the world's retirees, PRA offers various retirement products with required visa deposits that are withdrawable only when the retiree leaves/withdraws from the program or

in case of end-of-term obligations. Qualified retiree applicants make inward remittance of their requisite visa deposit to the Philippines through the Development Bank of the Philippines. Existing members under the old product offerings maintain their visa deposits with private banks. Accredited marketers provide enrolment services to applicants.

For purposes of bringing PRA closer to its member-retirees as well as encouraging active involvement of local governments and the private sector in the retirement industry, PRA established satellite offices in some cities, such as Baguio, Angeles, Cebu and Davao.

The PRA administration is composed of the following principal officers and Board of Directors:

Position / Designation	Name	Period Served
Gen. Manager and Vice-Chairman of Board of Directors (BOD)	Bienvenido K. Chy	effective Nov. 7, 2016
	Valentino L. Cabansag	until Aug. 22, 2016
Deputy General Manager	Valentino G. Baac	effective Nov. 29, 2016
Chairman, BOD Secretary, Dep't of Tourism	Wanda Corazon T. Teo	effective Jul. 1, 2016
	Ramon R. Jimenez	until Jun. 30, 2016
Member, BOD Governor, BSP	Amando M. Tetangco, Jr.	
Member, BOD Commissioner, BI	Jaime H. Morente	effective Jul. 1, 2016
	Siegfred B. Mison	until Jun. 30, 2016
Member, BOD Asst. Secretary, DOT	Ma. Lourdes F. Japson	effective Sep. 28, 2016
	Eugene T. Kaw	until Jun. 30, 2016

Financial Highlights

The comparative financial position and performance of PRA for the CYs 2016 and 2015 are as follows:

	2016	2015	Increase (Decrease)
Financial Position			
Assets	₱ 11,949,641,370	₱ 9,358,034,274	₱ 2,591,607,096
Liabilities	10,571,717,204	8,222,922,558	2,348,794,646
Equity	1,377,924,166	1,135,111,716	242,812,450
Financial Performance			
Revenue	770,460,922	702,310,647	68,150,275
Expenses	317,213,101	321,620,866	(4,407,765)
Excess of revenue over expenses	453,247,821	380,689,781	72,558,040

2016 Approved Corporate Operating Budget (COB) vs. Actual Expenditures

	Per COB (DBM approved)	Actual	Variance
Personnel Services (PS)	₱ 45,122,000	₱ 38,849,476	₱ 6,272,524
Maintenance & Other Operating Expenses (MOOE)	156,146,000	47,876,914	108,269,086
Capital Outlays	43,638,000	7,312,056	36,325,944
Total	₱244,906,000	₱ 94,038,446	₱150,867,554

The increase in assets as well as liabilities pertains to visa deposits of new enrollees to the PRA retirement program during the year numbering 4,834.

The increase in revenue for the CY 2016 was attributed mainly to interest income and foreign exchange gain totalling ₱81.688 million as income from operations decreased by ₱13.801 million.

For the CY 2016, PRA paid income taxes of ₱122.312 million and remitted dividends to the Bureau of Treasury amounting to ₱190.441 million.

Scope of Audit

The audit covered the examination, on a test basis, of the accounts, transactions and operations of PRA for CY 2016 in accordance with Philippine Public Sector Standards on Auditing (PPSSA). It was also aimed at expressing an opinion on the fairness of presentation of PRA's financial position, results of operations and cash flows in accordance with PPSSA and at determining its compliance with laws, rules and regulations.

State Auditor's Report on the Financial Statements

The Auditor rendered a modified opinion on the fairness of presentation of the financial statements of the PRA for the year 2016 due to discrepancies in the balance of Cash Deposits from Retirees-Restricted from its bank balance amounting to ₱128.757 million in its receiving account and ₱9.300 million in its disbursing account; the variances of ₱10.872 million and ₱6.347 million between the balances of the general ledgers and subsidiary ledgers and inventory reports of property, plant and equipment and supplies inventory, respectively, that cast doubt on the reliability of the balances of these accounts.

Summary of Significant Audit Observations and Recommendations

For the above observation, which caused the issuance of a qualified opinion, we recommended that Management:

Cash Deposits from Retirees-Restricted-Receiving account

- A. Account for the unreconciled amount of Cash deposits from Retirees-Restricted (Receiving Account) of US\$156,097 together with the Peso amount of ₱128.757 million;

- B. Account for the Certificates of Time Deposits totaling US\$1.167 million or ₱58.115 million;

- C. Maintain subsidiary ledger for the visa deposit of each member-retiree; and

- D. Prepare and submit Bank Reconciliation Statement for the balance of Cash deposits from Retirees-Restricted (Receiving account) as of December 31, 2016 and every month thereafter;

- E. Consider the procurement or development of an automated information system.

Cash Deposits from Retirees-Restricted-Disbursing account

- A. Prepare and submit Bank Reconciliation Statement for the balance of Cash deposits from Retirees-Restricted (Disbursing account) as of December 31, 2016 and every month thereafter;

- B. Account for the discrepancies between the Book and Bank balances and effect the necessary adjustments;

- C. To avoid misstatement of balances, discontinue the monthly reclassifications from one account to another account if there is no actual transfer of funds in the corresponding bank accounts; and

- D. Transfer to the bank account for Cash in bank -foreign currency savings account amounts in the bank account for Cash deposits from Retirees-Restricted (Disbursing account) pertaining to unclaimed interest income of active Members which are intended to be invested in time deposits so that any subsequent withdrawal for placement in time deposits will have to be correctly deducted/credited to Cash in bank-foreign currency savings account.

Property, Plant and Equipment

- A. Maintain subsidiary ledger for the PPE accounts in a correct manner such that necessary information as acquisition date, unit cost, quantity, estimated useful life, carrying amount/book value, location/custodian and document reference are indicated;
- B. Conduct physical count of the assets and reconcile with the Schedules; and
- C. Reconcile the discrepancies and determine accountabilities.

doubtful accounts despite the "active status" of members.

1.1 We recommended and Management agreed to:

- A. Revisit the policy in granting conversion of visa deposit into investment; and
- B. Consider, if warranted, withholding a portion of such visa deposit, in case members opt to convert the visa deposit into investment, so that members could still maintain account with PRA and such withheld amount could answer for unpaid visitorial fees and other obligations.

Supplies Inventory

- A. Reconcile the records of both the Accounting Department and the custodians; and
- B. Institute policies such that custodians of the inventories have to: a) maintain correct and updated records and complete documentation particularly on issuances; b) conduct physical inventory at least on year-end; and c) prepare/submit report to Accounting Department for recording/accounting purposes.

The other significant audit observation and recommendations are as follows:

1. ₱26.361 million of the total receivables on visitorial fees of ₱36.914 million or about 71.41 per cent was not collected due to unknown whereabouts of member-retirees resulting in 100 per cent provision for

Status of Implementation of Prior Year's Audit Recommendations

Of the 30 audit recommendations embodied in the prior year Annual Audit Report, 14 were fully implemented and 16 were partially implemented.

INDEPENDENT AUDITOR'S REPORT



**REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT**

INDEPENDENT AUDITOR'S REPORT

The Board of Directors

Philippine Retirement Authority
City Bank Tower, Makati City

We have audited the accompanying financial statements of the Philippine Retirement Authority which comprise the statement of financial position as at December 31, 2016, and the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with state accounting principles generally accepted in the Philippines, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Public Sector Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

The balance of Cash Deposits from Retirees-Restricted of ₱10.223 billion could not be relied due to discrepancies between the balance per book and balance per bank amounting to ₱128.757 million and ₱9.300 million in its receiving and disbursing accounts, respectively. Further, no subsidiary ledgers were maintained to support the balances. Had the discrepancies been reconciled and the balance per book adjusted and subsidiary ledgers maintained to support the balances, the account could have been fairly presented.

The variances of ₱10.872 million and ₱6.347 million between the balances of the general ledgers and subsidiary ledgers and inventory reports of property, plant and equipment and supplies inventory, respectively, cast doubt on the reliability of the balance of property, plant and equipment and supplies inventory. Had the variances been identified and reconciliation prepared, the balances of these accounts could have been fairly presented.

Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Philippine Retirement Authority as at December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with state accounting principles generally accepted in the Philippines.

Report on Supplementary Information Required Under BIR Revenue Regulation 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes and license fees paid or accrued during the taxable year described in Note 21 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of basic financial statements. Such supplementary information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

COMMISSION ON AUDIT

PEDRO P. PABELONIA
OIC - Supervising Auditor

April 6, 2017

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF TOURISM

PHILIPPINE RETIREMENT AUTHORITY



April 4, 2017

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of PHILIPPINE RETIREMENT AUTHORITY is responsible for information and representations contained in the accompanying Statement of Financial Position as of December 31, 2016, and the Statement of Income and Expenses, Government Equity, and Cash Flow for the year ended. The financial statements have been prepared in conformity with generally accepted state accounting principles and reflect amounts that are based on best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.


EVELYN R. TANSIONGCO, CPA
Division Chief
Financial Management Division


ATTY. BIENVENIDO K. CHY
General Manager / CEO
Philippine Retirement Authority

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*Mission: To make the Philippines a leading and sustainable destination for the wealthy retirees, seniors, and adults;
Vision: To develop PRA capabilities and to enable and empower citizens of the government and private sector relevant to the Philippine retirement solutions agenda.*



BALANCE SHEET as of DECEMBER 31, 2016

(With corresponding figures for CY 2015 in Philippine Peso)

	Notes	2016	2015 (as restated)
ASSETS			
Current Assets			
Cash and cash equivalents	4	561,190,556	192,455,918
Short-term investments	5	1,060,670,791	1,155,246,411
Receivables	6	30,893,046	34,270,683
Prepayments	7	11,513,947	9,710,953
Total current assets		1,664,268,340	1,391,683,965
Non-Current Assets			
Cash deposits from retirees - restricted	8	10,245,195,368	7,920,782,982
Property, plant and equipment - net	9	34,202,851	31,004,470
Long-term investments	10	600,000	9,540,604
Other assets	11	5,374,811	5,022,253
Total non-current assets		10,285,373,030	7,966,350,309
TOTAL ASSETS		11,949,641,370	9,358,034,274
LIABILITIES AND EQUITY			
Current Liabilities			
Account payable		39,117,868	33,224,094
Dividends payable		210,435,371	190,440,943
Due to officers and employees	12	5,437,243	9,410,803
Inter-agency payables	13	25,212,306	37,099,727
Interest payable	14	56,015,922	30,903,619
Other payables		435,797	446,090
Total current liabilities		336,654,507	301,525,276
Non-Current Liabilities			
Deferred credits	15	5,401,691	614,300
Trust liabilities	16	10,229,661,006	7,920,782,982
Total non-current liabilities		10,235,062,697	7,921,397,282
TOTAL LIABILITIES		10,571,717,204	8,222,922,558
EQUITY		1,377,924,166	1,135,111,716
TOTAL LIABILITIES AND EQUITY		11,949,641,370	9,358,034,274

The notes on page 8 to 19 form part of these financial statements.

STATEMENT OF INCOME AND EXPENSES

For the year ended DECEMBER 31, 2016

(With corresponding figures for CY 2015 in Philippine Peso)

	Notes	2016	2015
INCOME FROM OPERATIONS			
Passport and visa/application fees		218,009,242	251,504,052
Annual PRA fees		213,833,167	175,310,962
Management fees		132,166,179	130,430,558
Inspection fees/visitorial fees		23,238,010	38,216,663
Harmonization fees		3,957,719	8,180,269
Registration fees/ID fees		6,302,130	8,556,306
Affiliation fees/accreditation fees		2,447,227,	1,790,057
Processing fees/service fees		2,255,290	2,021,162
Total Income from operations	18	602,208,892	616,010,029
EXPENSES			
Direct Cost	19	108,175,194	106,984,513
Operating expenses	Sch.1	86,726,390	88,411,882
Total expenses		194,901,584	195,396,395
NET INCOME FROM OPERATIONS		407,307,308	420,613,634
OTHER INCOME			
Interest income	,	81,754,528	49,938,695
Miscellaneous income		397,749	134,602
Net foreign exchange gain			
Realized gain		53,325,324	36,227,321
Unrealized gain	20	32,774,429	-
Total Other Income		168,252,030	86,300,618
NET INCOME BEFORE TAX		575,559,338	506,914,252
Income Tax		122,311,517	126,224,471
NET INCOME AFTER TAX		453,247,821	380,689,781

The notes on page 8 to 19 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended DECEMBER 31, 2016

(With corresponding figures for CY 2015 in Philippine Peso)

	Notes	2016	2015 (as restated)
EQUITY			
PAID-IN-CAPITAL		63,217,089	63,217,089
RETAINED EARNINGS			
Balance, beginning of year as restated		1,071,894,627	1,009,859,870
Net income		453,247,821	380,689,781
Dividends		(210,435,371)	(334,942,069)
Other adjustments			16,506,885
Balance, end of year as reported			1,072,114,467
Adjustments of prior year			(219,840)
Balance, end of year	17	1,314,707,077	1,071,894,627
EQUITY			

The notes on pages 8 to 19 form part of these financial statements

The notes on page 8 to 19 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended DECEMBER 31, 2016

(With corresponding figures for CY 2015 in Philippine Peso)

	Notes	2016	2015 (as restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Collection of income from operations		591,671,125	524,079,461
Collection of receivables		3,632,369	13,024,972
Interest income		16,003,560	11,216,958
Refund of cash advance		1,392,388	807,611
Gain on foreign exchange		91,396,488	41,619,104
Payment of operating expenses		(125,492,069)	(147,867,384)
Settlement of prior year payables		(27,302,197)	(1,688,452)
Remittance of mandatory contributions/W.Taxes		(25,790,480)	(21,378,228)
Release of cash advances		(5,429,911)	(4,705,599)
Payment of dividends		(190,440,943)	(144,501,127)
Payment of income tax		(123,552,194)	(97,376,416)
Loss on foreign exchange		(8,078,257)	(5,896,436)
Refund of deferred credits		(760,771)	(1,417,871)
Net cash provided by operating activities		197,249,108	165,916,593
CASH FLOWS FROM INVESTING ACTIVITIES			
Maturity of investments		1,232,120,245	285,240,395
Investments in time deposits and HY deposits		(1,054,345,212)	(1,178,770,677)
Purchase of property, plant and equipment		(6,289,503)	(67,757)
Net cash provided by (used in) investing activities		171,485,530	(893,598,039)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS		368,734,638	(727,681,446)
CASH AND CASH EQUIVALENTS, BEGINNING		192,455,918	920,137,364
CASH AND CASH EQUIVALENTS, ENDING	4	561,190,556	192,455,918

The notes on page 8 to 19 form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

(All amounts in Philippine Peso unless otherwise stated)

1. GENERAL INFORMATION

Executive Order No. 1037 dated July 4, 1985 created the Philippine Retirement Park System, a corporate body tasked primarily to develop and promote the Philippines as a retirement haven providing the best quality of life for targeted retirees. It also aims to accelerate the social economic development of the country and at the same time strengthen its foreign exchange position.

To fully reflect the nature of its operation, the Board of Trustees (BOT), in its Resolution No. 003 dated July 30, 1985, approved the change of its corporate name to Philippine Retirement Authority (PRA).

PRA recommends to the Bureau of Immigration (BI), the issuance of Special Resident Retirees Visa (SRRV), a special non-immigrant visa with multiple/indefinite entry privileges, to qualified foreigners and former Filipino citizens who wish to make the Philippines their second home.

With the passage of Tourism Act of 2009, also known as Republic Act (RA) 9593 last May 12, 2009, the supervision of PRA was transferred from the Department of Trade and Industry to the Department of Tourism. Formal turn-over ceremony was held at the Malacañang Palace on March 10, 2010.

On October 22, 2010, in its 245th meeting, the BOT approved the new product offerings described and labeled as Simplified and Simple, Marketing-oriented, Integrated, Long-lasting and Efficient (SMILE), Diplomats Retirement Product, Long-stay Trial Retirement Product, Human Touch, RADAR, Services with a Smile (SWS), Deposit Management and Allied Services and Retirement Public-Private Partnerships as embodied under Board Resolution No. 24 series of 2010.

The SMILE retirement product requires a visa deposit of US\$20,000 for retiree-applicants who are 35 years old and above while the required visa deposit for Ambassadors, members of international organizations and former Filipino citizens are maintained at US\$1,500. Such deposits cannot be withdrawn except when the retiree leaves and/or withdraws from the program or in case of end-of-term obligations.

On June 8, 2011, a Memorandum of Agreement (MOA) was entered into by and between PRA and the Development Bank of the Philippines (DBP), making DBP as one of the authorized depository banks for the requisite visa deposit of the retirees under the new product offerings. Under the MOA, the DBP shall accept the requisite deposit for the account of PRA primarily from foreign currency funds inwardly remitted to the Philippines by the qualified retiree for which a certification of inward remittance for each retiree shall be issued to and submitted by DBP to PRA.

As of December 31, 2016, PRA is headed by Chief Executive Officer/General Manager Atty. Bienvenido K. Chy, assisted by a Deputy General Manager and four (4) Department Managers. The Authority has a total of one hundred eleven (111) manpower complement consisting of sixty eight (68) regular employees and forty three (43) job order employees.

The PRA Head Office is located at the 29th Floor of the Citibank Tower in Valero, St., Paseo De Roxas, Makati City. It has four (4) satellite offices operating in major cities: Angeles (Subic/ Clark), Baguio, Cebu and Davao. PRA can be reached through its website www.pra.gov.ph.

2. OPERATIONAL HIGHLIGHTS FOR THE CALEN - DAR YEAR 2016

The Authority has been operational for thirty-one (31) years attaining 48,072 foreign retirees with visa deposits aggregating to US\$800M. For the last 6 years, despite withdrawals, gross enrolment growth rate averages 20 per cent while net enrolment growth rate tips at 24.22 per cent which indicates improved membership retention.

For the year ended December 2016, visa deposits reached US\$38.1M which is 5.42 per cent higher than the previous year attributable to 4,384 net enrollees.

The Authority has 36,343 existing/outstanding memberships (net enrollees) as of December 31, 2016.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Financial Statement Presentation and Measurement

The financial statements are prepared and presented in accordance with generally accepted state accounting principles using the historical cost basis except for deposits in foreign currency which are translated to peso amount at the year-end closing rate.

b. Cash and cash equivalents

Cash and cash equivalents include all highly liquid deposits and investments with maturities within three (3) months or less from balance sheet date.

c. Provision for doubtful accounts

This is provided for visitorial fees receivable, pertaining to accounts of member-retirees considered delinquent, that is, if it is outstanding/unpaid for three consecutive years. Provision was also made for the following accounts:

b.1. Accreditation fee of marketers who opted not to renew their accreditation with PRA after the one-year expiration period;

b.2. Management fees from Bankwise, Inc. (Note 10).

d. Property and equipment

Property and equipment are carried at cost less accumulated depreciation. Significant improvements and renewals, including incidental costs are capitalized. The straight-line method of depreciation is used based on the estimated life of the assets less ten per cent residual/scrap value in accordance with the New Government Accounting System as follows:

Assets	Estimated Life
Office building	30 years
Office equipment	5 years
Furniture and fixture	10 years
IT and software	5 years
Library Books	7 years
Other equipment	10 years
Motor vehicle	7 years

e. Income and expense recognition

The modified accrual basis is used in recognizing income. All expenses are recorded on a full accrual basis in which they are measured when incurred. Revenues are recognized when they are measured and available. Cash basis of accounting is practically applied on all income accounts, except for interest income, as this method best reflects the nature of financial transactions and facilitate the fair presentation of the Financial Statements.

f. Investments

Surplus peso and dollar cash funds of PRA are placed in investment products such as Time Deposits, Bonds, and High-Yield (HY) Deposits in government banks, i.e. Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP). US Dollar investments are translated to peso amounts and recorded using the closing exchange rates at the end of the year.

Investments are classified according to dates of maturity: a) maturing within ninety days are Cash and cash equivalents; b) maturing beyond ninety days but within the next twelve months are Short-term investments; and c) maturing beyond the next twelve months are Long-term investments.

g. Inventories

Office supplies inventory is recorded at cost and accounted for using the perpetual inventory method.

4. CASH AND CASH EQUIVALENTS

This account consists of:

	2016	2015 as restated
Cash on hand	2,438,075	1,034,735
Cash in bank-savings and current accounts- LBP	49,452,816	45,681,897
Cash in bank-savings and current accounts - DBP	303,815	17,203,922
Foreign currency time deposits	490,218,672	32,633,198
Investment in bonds	8,746,678	5,300,166
Investment in HY deposits	10,030,500	90,602,000
	561,190,556	192,455,918

Deposits and investments in foreign currency for CY2016 were translated to peso amounts at the year-end closing rate of P49.815:1US\$.

Foreign currency time deposits with the LBP and the DBP amounted to US\$9.841 million in 2016 and US\$.735 million in 2015.

Investment in bonds consists of the 3-year ROP11 bonds with face value of US\$175,000 purchased at a premium and maturing on January 18, 2017. The CY2015 balance of P5.300 million was a reclassification from account Investments-non-current.

Regular deposit accounts with LBP and DBP earn interest at rates ranging from 0.15 per cent to 0.25 per cent.

The prior year Cash and cash equivalents of P1,176.800 million were restated to P192.456 million to reflect the reclassifications to: a) Short-term investments of the foreign currency time deposits of P1,080.246 million; and b) Cash and cash equivalents of Investments-current amounting to P90.602 million and Investment-noncurrent of P5.300 million.

5. SHORT-TERM INVESTMENTS

This account consists of:

	2016	2015 as restated
Foreign currency time deposits	795,070,469	1,080,246,411
Investment in HY deposits	265,600,322	75,000,000
	1,060,670,791	1,155,246,411

Foreign Currency Time Deposits with LBP and DBP amounted to US\$15.960 million and US\$23.226 million for CY 2016 and 2015, respectively. The CY 2015 balance of P1,080 million was a reclassification from account Cash and cash equivalents.

Investments in High Yield Deposits with LBP yield interest rates of 1.125 per cent to 1.500 per cent including the amount of US\$2.220 million. The CY 2015 balance of P75 million was a reclassification from account Investments-current.

6. RECEIVABLES – NET

This account consists of:

	2016	2015 as restated
Accounts receivable	18,455,101	21,312,522
Advances to officers and employees	33,745	215
Due from officers and employees	8,545,356	12,406,833
Interest receivables	3,858,844	551,113
	30,893,046	34,270,683

6.1 Accounts Receivable consists of:

	2016	2015
Visitorial fees (VF)	36,913,980	36,872,212
Allowance for doubtful accounts-VF	(26,361,482)	(25,964,132)
Visitorial fees - net	10,552,498	10,908,080
Management fees	7,460,293	9,944,974
Harmonization fees	442,310	459,468
	18,455,101	21,312,522

A. Visitorial fees receivable represents annual fees due from retirees who have converted their requisite visa deposits into active investments, at the rates ranging from 0.5 to 1.5 per cent of the total amount invested.

Since May 29, 2006, the Special Reduced Deposit (SRD) scheme was implemented, modifying the amount of required deposits as well as the visitorial fees for the conversion of deposits into active investments. The minimum qualifying deposit and visitorial fee rates applicable to those enrolled under the SRD Program for the principal retiree-applicant are as follows:

Minimum Qualifying Deposit:

Age	From	To
35 to 49 years old	US\$ 75,000	US\$ 50,000
50 years old and above	US\$ 50,000	US\$ 20,000

Visitorial Fees:

Amount of Deposit Converted	Annual VF Collected
US\$ 20,000	US\$ 500 or its peso equivalent
US\$ 50,000	US\$ 750 or its peso equivalent

Retirees who had been delinquent in paying VF for more than three years were sent collection letters/notices. After three notices and the retirees still failed to pay, they were placed on a watch list published in three leading newspapers of general circulation. If after publication, the retirees remain delinquent, their SRRVs shall be recommended to the BI for cancellation and the receivables shall be recommended to be written off from the books of accounts subject to the approval by the PRA Board of Trustees.

In the implementation of the new product offerings described in the General Information portion, the SRD Program is now referred to as "Classic".

A. Management fees receivable represents accruals of estimated fees due from PRA accredited banks equivalent to 1.5 per cent of the outstanding daily balance of retirees' deposits.

B. Harmonization fees are amounts collected pursuant to Board Resolution No. 92 series of 2007, otherwise known as the harmonization of the old and new schemes of deposit. A management fee of 1.5 per cent is levied by PRA on the retiree in consideration for the release of the amounts in excess of the required deposit under the modified SRD scheme.

6.2. Due from Officers and Employees

This account pertains to the disallowed payment of allowances and expenses of which the amount of ₱6,288 million were already issued with Commission On Audit Order of Execution (COE) and prior years unliquidated cash advances of active and retired/resigned PRA officers and employees.

The prior year reported amount of ₱12,626,673 was restated to reflect the adjustment of ₱219,840 pertaining to the refund that was part of the disallowances with issued COE. The recorded disallowance should have amounted to ₱16,287,045 instead of ₱16,506,885, that is, net of the peso amount of the refund of US\$4,000 (Note 17).

7. PREPAYMENTS

This account consists of:

	2016	2015 as restated
Office supplies inventory	7,262,490	6,564,528
Deferred charges	3,776,800	2,671,769
Other prepaid expenses	474,657	474,656
	11,513,947	9,710,953

Office supplies inventory was previously classified in CY 2015 as Inventories.

Deferred charges account pertains to the Creditable Withholding taxes from the receipt of management fees collected from banks and the other deferred charges resulting from the bank debit memo items of prior years that are for reconciliation.

The Office Building Account pertains to the condominium unit acquired by PRA in December 1996 at the Citibank Tower, Makati City with total area of 598.20 square meters and four (4) parking units.

8. CASH DEPOSITS FROM RETIREES – RESTRICTED

This account represents the required visa deposit from retiree-members in the total amount of US\$207,644,227.33 which are placed in time deposits with the DBP on a yearly basis. These deposits are held in trust for the account of retiree-members, hence, a trust liability account is recognized (Note 16).

Included in this account are the interest earned from the visa deposits in the aggregate amount of US\$392,048.41 valued at ₱15,534,362 which are subsequently placed into another time deposits with DBP.

9. PROPERTY AND EQUIPMENT - NET

The details of the account are shown below:

	Office Building	Office/IT Equipment, Furniture, Fixtures and Others	Motor Vehicles	Total
<u>Cost:</u>				
Balance, January 1, 2016	56,503,341	28,715,233	13,789,398	99,007,972
Additions	-	7,312,056	-	7,312,056
Disposals (Adjustments)	(1,038,358)	(47,789)	-	(1,086,147)
Balance, December 31, 2016	55,464,983	35,979,500	13,789,398	105,233,881
<u>Accumulated Depreciation:</u>				
Balance, January 1, 2016	34,074,676	21,955,579	11,973,247	68,003,502
Additions	1,468,775	1,258,967	437,211	3,164,953
Disposals (Adjustments)	(137,425)	-	-	(137,425)
Balance, December 31, 2016	35,406,026	23,214,546	12,410,458	71,031,030
Net book value, Dec. 31, 2016	20,058,957	12,764,954	1,378,940	34,202,851
Net book value, Dec. 31, 2015	22,428,665	6,759,654	1,816,151	31,004,470

10. LONG -TERM INVESTMENTS

This account consists of:

	2016	2015 as restated
Investment in bonds		8,940,604
Investment in stocks	600,000	600,000
	600,000	9,540,604

Investment in Bonds pertains to the DBP ROP11 Bonds with face value of US\$175,000.00 purchased at a premium of US\$41,125.00 on 15-Jan-14 for a term of 3yrs. with an interest rate of 8.250% which will mature on 18-Jan-17. This was reported in CY 2015 as *Investments-non-current*.

Investment in Stocks account pertains to investments in shares of stock of the Baguio Country Club Corporation.

11. OTHER NON-CURRENT ASSETS

This account consists of:

	2016	2015 as restated
Management fees receivable	3,450,556	3,450,556
Other receivables	2,191,055	1,811,165
	5,641,611	5,261,721
Allowance for doubtful accounts	(4,529,357)	(4,529,357)
Other receivables– net	1,112,254	732,364
Guaranty deposits	4,262,557	3,983,126
Other assets	-	306,763
	5,374,811	5,022,253

Management fees receivable is due from Bankwise, Inc.. Collection had already been endorsed to the Office of the Government Corporate Counsel for legal action considering that Bankwise, Inc. is now under receivership by the Philippine Deposit Insurance Corporation.

The Other Receivables account consists of receivables from marketers, for management fees due from private banks, and active/resigned/retired PRA officers and employees as well as former PRA Board of Trustees.

Guaranty deposits pertain mainly to the security deposits paid to METROBANK-TRUST BANKING GROUP for the lease by PRA of office space at the Citibank Tower and other service providers such as the Philippine Long Distance Telephone. This account was reported/classified in CY 2015 as Other current assets.

12. DUE TO OFFICERS AND EMPLOYEES

This account pertains to the money value of unused leave credits and other certified obligations for unpaid salaries and allowances, and other benefits.

13. INTER-AGENCY PAYABLES

The account consists of:

	2016	2015
Due to BIR	24,670,787	36,525,879
Due to other NGAs	541,519	573,848
	25,212,306	37,099,727

Due to Bureau of Internal Revenue (BIR) represents the amount of last quarter income tax payable.

Due to other National Government Agencies (NGAs) pertains liability to the Bureau of Immigration for the processing of retiree's visa.

14. INTEREST PAYABLE

This account pertains to unclaimed share of retiree-members in the interest income earned from their visa deposits which are placed in time deposits with DBP amounting to US\$ 1.124 million and US\$ 690,007 for 2016 and 2015, respectively. This account was classified in prior year as DBP consolidated interest payable.

15. DEFERRED CREDITS

This account pertains mainly to reconciling items of the Cash account amounting to ₱5.337 million for CY2016 and ₱432,856 for 2015 representing bank credits for the period 2001 to 2015 that remain unrecorded pending verification and proper documentation.

16. TRUST LIABILITIES

This account is the counter liability account of the Non-Current Asset "Cash Deposits from Retirees – Restricted" account (Note 8) which amounts to US\$207.644 million and US\$170.322 million for CY 2016 and 2015, respectively.

17. RETAINED EARNINGS

The prior year reported amount of ₱1,072,114,467 was restated to reflect the adjustment of ₱219,840 pertaining to the refund of US\$4,000 that was part of the CY2015 adjustment of ₱16,506,885 as disallowances with issued COE. The recorded disallowance should have amounted to ₱16,287,045, that is, net of the peso amount of the refund of US\$4,000 (Note 6.2).

18. OPERATING INCOME

Income from operations consists mainly of the following:

18.1. Management Fees are collected from private banks where retiree-members maintain their visa deposits computed at agreed rates based on the outstanding amount of deposits. Presently there are twenty-four (24) private banks maintaining visa deposits of retiree-members.

18.2. Passport and Visa/Application Fees are one-time processing/service fees paid by retiree-applicants as initial requirement for their application in the program @ US\$1,400 for the principal applicant and US\$300 for dependent applicants.

For the CY 2016, there were 2,744 principal applicants and 2,044 dependent applicants.

18.3. Annual PRA Fee (APF) pertains to the annual fee collected from active members @ US\$360.00 for the principal retiree and two (2) qualified dependents and US\$100.00 for every additional dependent. For the CY 2016, 8,326 retiree-members paid the APF.

18.4. Visitorial Fees represents annual fees due from retirees who have converted their requisite visa deposits into active investments, at the rates ranging from 0.5 to 1.5 per cent of the total amount invested (Note 6).

19. DIRECT COSTS

This account consists of the following expenses which are directly attributable to the Operating income (Note 18):

	2016	2015
Bureau of Immigration fees	30,594,279	28,528,230
Marketers' fee	50,410,279	45,362,234
Medical examination fees	4,368,500	4,133,097
Visa stickers and ID cards	516,985	814,423
Marketing expenses	22,285,151	28,146,529
	108,175,194	106,984,513

Bureau of Immigration (BI) Fees pertain to amounts paid to the BI on the processing of the retiree-applicants' visa @ P5,080 for every principal applicant or spouse and P4,830 for dependents aged 15 years old and below.

Marketers' Fee pertains to payments by PRA to its accredited marketers for enrolment services rendered to retiree-applicants at US\$500 per applicant. As of CY 2016, PRA has one hundred sixty-eight (168) accredited marketers that were able to enroll a total of 2,254 retiree-applicants during the year.

Medical Examination Fees pertain to payments by PRA to its accredited merchant partners for providing medical services to retiree-applicants.

Marketing expenses consist of the following:

	2016	2015
Travelling expense – local	314,705	484,212
Travelling expense – foreign	3,656,003	3,995,358
Marketing expenses – advertising	12,448,371	17,601,960
Marketing expenses – promotions	5,719,877	5,806,641
Postage and delivery expenses	146,195	258,358
	22,285,151	28,146,529

20. UNREALIZED GAIN ON FOREIGN EXCHANGE

This account pertains to the exchange differential on the year-end translation to peso amount of deposits and investments in foreign currency totaling US\$30.083 million at the closing rate of P49.815:1US\$.

21. TAXES

21.1. Payment of Taxes and Exemption from Value-Added Tax.

Section 12 of the Executive Order 1037, s. 1985, states the following:

"Section 12. Exemption from Fees, Duties and Taxes. The SYSTEM is hereby declared exempt from all income and other internal revenue taxes, tariff and customs duties and all other kinds of taxes, fees, charges and assessments levied by the government and its political subdivisions, agencies and instrumentalities.

The President of the Philippines, upon recommendation of the Minister of Finance, may partially or entirely lift the exemptions herein granted, if he shall find that the SYSTEM is already self-sustaining and finally capable of paying such taxes, customs duties, fees, charges and other assessments, after providing for the debt service requirements and the projected capital and operating expenditures of the SYSTEM."

Accordingly, after reaching self-sustainability, PRA religiously remits quarterly and yearly with the Bureau of Internal Revenue the income tax as required under the Corporate Income Tax Law, and monthly all taxes withheld by the Authority from its suppliers/stakeholders in compliance with the existing Revenue Regulations on the taxes withheld on Government Money Payments.

Value Added Tax (VAT)

The VAT law stated in the provisions of Republic Act No. 8424, imposition of VAT payable to Government bodies may not qualify with the provisions stated thereat as it is not expressly stated for Government-Owned and Controlled Corporations (GOCCs) and other government bodies on the imposition of remitting VAT with the BIR. As compared with the provisions stated in the Section 12 of Republic Act 9337, amending Section 114 of the National Internal Revenue Code of 1997, with subsection (C), the code expressly and specifically mandates GOCCs to which PRA belongs, to just withhold the final VAT of five per cent and remit the same to the BIR, to wit,

"(C) Withholding of Value-Added Tax. - The Government or any of its political subdivisions, instrumentalities or agencies, including GOCCs shall, before making payment on account of each purchase of goods and services which are subject to the value-added tax imposed in Sections 106 and 108 of this Code, deduct and withhold a final value-added tax at the rate of five per cent of the gross payment thereof....."

21.2. Requirements under Revenue Regulations (RR) 15-2010

The taxes, duties and licenses fees paid or accrue during the taxable year required under RR 15-2010 are as follows:

A. Withholding Taxes:

The details of total withholding taxes for the year ended December 31, 2016 are as follows:

Compensation and benefits	P 4,215,679.15
Creditable (expanded)	8,406,561.61
Creditable (VAT)	4,789,842.79
TOTAL	P17,412,083.55

B. Income Tax Return:

The details of total Income Tax Return for the year ended December 31, 2016 are as follows:

QUARTER	INCOME TAX EXPENSE	CREDITABLE with- holding tax on Mgmt Fees	NET AMOUNT PAID
1st Qtr	34,639,890.47	2,344,270.13	32,295,620.34
2nd Qtr	29,450,605.21	2,517,618.60	26,932,986.61
3rd Qtr	33,598,378.11	2,569,846.31	31,028,531.80
4th Qtr	24,622,643.57	n/a	n/a
	122,311,517.36	7,431,735.04	90,257,138.75

A stylized map of the state of Indiana is rendered in various shades of green, from light to dark. The map is composed of several large, irregularly shaped blocks of color, with some smaller blocks scattered around the main outline. The word "APPENDICES" is written across the center of the map in a bold, dark green, sans-serif font with a white outline.

APPENDICES

The 2015-2016 Performance Agreement



DEPARTMENT OF TOURISM
**PHILIPPINE
RETIREMENT
AUTHORITY**

PERFORMANCE AGREEMENT

This Performance Agreement has been executed pursuant to the PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02 [Re-Issued]) between the –

GOVERNANCE COMMISSION FOR GOCCs (GCG)

- and -

PHILIPPINE RETIREMENT AUTHORITY (PRA)

WHEREAS, the Parties above entered into a Performance Agreement covering CY 2016;

WHEREAS, the Parties agreed to renegotiate certain targets for CY 2015, pursuant to Section 7.2 of GCG MC No. 2013-02 (Re-Issued), which provides that “GOCCs can renegotiate the targets set in their Performance Agreements for the current year if the same are no longer feasible due to substantial changes in circumstances that could not have been foreseen at the time the targets were agreed upon.”

WITNESSETH: THAT –

The Parties agree to the following terms:

1. **Renegotiation.** – PRA’s Performance Scorecard in its 2015 Performance Agreement is hereby amended pursuant to the attached **Renegotiated Performance Scorecard**. All other conditions in the Performance Agreement covering CY 2015 shall remain effective.

2. **Mission and Vision.** – PRA’s Mission, Vision and target breakthrough results for its vision year are as follows:

Mission : To develop PRA’s capabilities and to enable and empower all segments of the government and private sectors relevant to the Philippine retirement migration agenda

Vision : PRA as the catalyst in strengthening the Philippines’ retirement industry, envisions to enhance the status of the country as an internationally-recognized and significant retirement destination in South East Asia by 2020

	2010 Baseline Year	2015	2020
Cumulative Net Enrollment	23,357	30,000	100,000

The agreed Strategy Map for achieving the vision is attached hereto as **Annex A**. The above breakthrough results shall serve as the context of performance negotiations of annual targets between the Governance Commission and the Board of the GOCC until the vision year

3. **Measurement of Performance.** – Performance for 2015-16 shall be measured based on the Performance Scorecard attached hereto as **Annex B**. It is understood that the GOCC must achieve a weighted-average of at least 90% based on the agreed targets for 2015-16 to be eligible to grant any Performance-Based Bonus.
4. **Strategic Initiatives.** – PRetA hereby commits to undertaking the following key programs and/or projects identified as having a significant impact on its Performance Scorecard (PES Form 2) attached hereto as **Annex C**, to wit:
- (a) Strategic Initiative 1 – Maintenance of ISO Certification of the PRetA Head Office and Application for ISO Certification of 2 Satellite Offices; and
 - (b) Strategic Initiative 2 – Implementation of the Monitoring System to Determine Retirees' Expenditures;
- The Commitment herein includes obtaining all necessary approvals, if applicable, such as those for Major Development Projects under GCG MC No. 2013-03. PRetA shall include updates on the foregoing Strategic Initiatives in its submission of quarterly monitoring reports to the GCG.
5. **Quarterly Submission of Performance Monitoring.** – PRetA shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter.
6. **Good Governance Conditions.** – In addition to the covered portions of the Performance Scorecard, the GOCC must fully comply with the Good Governance Conditions enumerated under GCG MC No. 2013-02 (Re-Issued), GCG MC No. 2014-02, and GCG MC No. 2014-03 namely:
- 6.1. **Conditions Common to National Government Agencies and GOCCs:**
 - (a) Transparency Seal;
 - (b) PhilGEPS Posting;
 - (c) Cash Advance Liquidation;
 - (d) Citizen's Charter or its equivalent; and
 - (e) Compliance with the submission and review requirements covering Statement of Assets, Liabilities and Network (SALN);
 - 6.2. **Conditions Specific to GOCCs Covered by R.A. No. 10149:**
 - (a) Satisfaction of all statutory liabilities, including the payment of all taxes due to the Government, and declaration and payment of all dividends to the State as cleared by the Department of Finance.
 - (b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any.
 - (c) Adoption of a "Manual of Corporate Governance" pursuant to Section 42 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs (GCG MC No. 2012-07)** that is approved by GCG and uploaded on the GOCC's website.

- (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.
 - (e) Adoption of a **No GIFT POLICY** approved by the GCG and uploaded on the GOCC's website pursuant to Section 29 of GCG MC No. 2012-07.
 - (f) Compliance with the deadlines and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to GCG MC No. 2014-02.
 - (g) Compliance by all members of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to GCG MC No. 2014-03 and implementing issuances pursuant thereto.
 - (h) Submission of Corporate Operating Budgets (COBs):
 - i. For GOCCs receiving national government budgetary support, COBs shall be submitted to the Department of Budget and Management (DBM) for review and approval on or before the deadline indicated in DBM National Budget Memorandum No. 120 on "Budget Call for FY 2015;"
 - ii. For GOCCs without national government budgetary support, COBs shall be submitted to the Governance Commission using the same deadline as provided in DBM National Budget Memorandum No. 120.
7. PRetA shall timely inform GCG of all audit observations and notices of disallowances within seven (7) working days from the time it receives the same from the Commission on Audit (COA) prior to the regular publication of the final annual audit report. Accordingly, PRetA shall copy furnish the Governance Commission copies of all written communications between PRetA and COA on such matters, inform GCG of the schedule of its exit interview with COA seven (7) working days before the schedule or as soon as practicable, and other efficient means of inter-agency coordination.
- Failure to timely disclose such matters to the Governance Commission prior to the same becoming public information or the submission of the application for the Performance-Based Bonus (PBB) or Performance-Based Incentive (PBI) may be considered as non-compliance with the Good Governance Condition of submitting Concrete and Time Bound Action Plans on findings of COA, rendering the Governing Board **INELIGIBLE** to apply for the PBI, without prejudice to a further determination on the impact of the same on the GOCCs PBB application.
8. Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

DONE, this 7th day of January 2016, in the City of Makati, Philippines.



**GOVERNANCE COMMISSION FOR
GOCCs**

BY AUTHORITY OF THE COMMISSION:



CESAR L. VILLANUEVA
Chairman

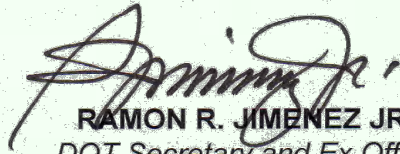
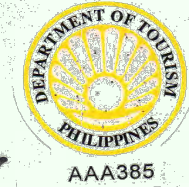


MA ANGELA E. IGNACIO
Commissioner



RAINIER B. BUTALID
Commissioner

**PHILIPPINE RETIREMENT
AUTHORITY**



RAMON R. JIMENEZ JR.
DOT Secretary and Ex Officio
Chairman



VALENTINO L. CABANSAG
General Manager

AMANDO M. TETANGCO JR.
BSP Governor and Ex Officio Board
Member



VICENTE S. AQUINO
BSP Deputy Governor and Ex-Officio
Alternate Member



RONALDO GERON
Bureau of Immigration Commissioner
and Ex Officio Board Member



ESTANISLAO R. CANTA
Bureau of Immigration Acting Chief of
the Board of Special Inquiry and Ex-
Officio Alternate Member

*(Shd be Acting Chief,
BI-PRetA)*

PHILIPPINE RETIREMENT AUTHORITY



By 2020, The Philippines Is A Leading and Significant Destination in South East Asia For The World's Retirees, Seniors and Elderly

Global Competitiveness

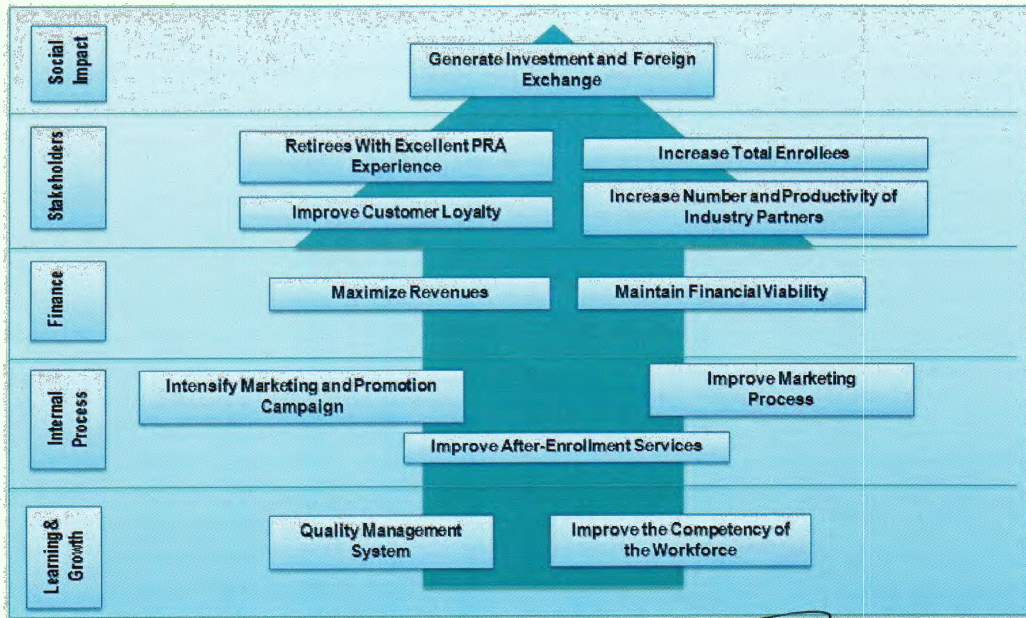
Good Governance

Mission:

To develop PRA's capabilities and to enable and empower all segments of the government and private sectors relevant to the Philippine retirement migration agenda

Core Values:

- Service Excellence
- Innovation
- Teamwork
- Integrity
- Discipline
- Good Governance
- Social Responsibility



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PHILIPPINE RETIREMENT AUTHORITY

Objective/Measure	Component Formula	Weight	Rating System	Baseline			Target	
				2012	2013	2014	2015	2016
SO 1	Generate Investment and Foreign Exchange							
SM 1	Annual Foreign Currency Generated from Visa Deposit	5%	Actual / Target x Weight	\$22.770 Million	\$28.486 Million	\$38.81 Million	\$38.25 Million	\$50 Million
SM 2	Establish a System that will Monitor the Actual Expenditures of Retirees (spend on conversion, household, services medical, etc.)	5%	All or Nothing	n/a	n/a	n/a	Management-approved Monitoring System	Establish Baseline
	Sub-total	10%						
SO 2	Retirees with Excellent PRetA Experience							
SM 3	Customer Satisfaction Rating	5%	Below Satisfactory = 0%	n/a	n/a	n/a	Satisfactory or its Equivalent Percentage	Satisfactory or its Equivalent Percentage
SO 3	Improve Customer Loyalty							
SM 4	Retention Rate for the Year	10%	<95% - Poor = 0% 95-96.9 - Good = 5% 97 and above - Excellent 10%	95.95%	95.99%	96.00%	≥97%	≥97%

Objective/Measure	Component Formula	Weight	Rating System	Baseline			Target
				2012	2013	2014	
SO 4	Increase Total Enrollees						
SM 5	Net Enrollment for the Year	15%	Actual / Target x Weight	2,573	3,076	3,956	5,100
SO 5	Increase Number and Productivity of Industry Partners						
SM 6	Number of Principal Retirees enrolled by Marketers at the end of the rating period	5%	Actual / Target x Weight	1,409	1,614	2,209	2,500
	Sub-total	35%					
SO 6	Maintain Financial Viability						
SM 7	Revenue Generated	10%	Actual / Target x Weight	P346.23 Million	P413.42 Million	P525.36 Million	P588.32 Million
SO 7	Maximize Revenues						
SM 8	Net Operating Income	10%	Actual / Target x Weight	P218 Million	P280.05 Million	P356.77 Million	P414.41 Million
	Sub-total	20%					
SO 8	Intensify Marketing and Promotion Campaign						
SM 9	Percentage of Marketing and Promotion Activities Conducted based on the Board Approved Marketing Plan	5%	Actual / Target x Weight	n/a	n/a	n/a	95% realization of targets set in the marketing plan (Marketing Plan based on PPMP)

Stakeholder

Financial

Internal Process

Objective/Measure	Component		Baseline				Target	
	Formula	Weight	Rating System	2012	2013	2014	2015	2016
SO 9	Improved Marketing Process							
SM 10	Percentage Increase in the number of Walk in Principal Member with Approved Applications	(Current year actual - Prior year actual) / Prior Year Actual x 100	Actual / Target x Weight	-9.09%	24.13%	6.67%	10%	16%
SO 10	Improved After-Enrollment Services							
SM 11	Number of Retirees availing of Post-enrollment Services	Absolute Amount	Actual / Target x Weight	9,240	11,069	13,960	16,592 (ID Renewal & Re-stamping)	90% of requests with complete documents are processed
SM 12	Number of New Services/Programs/Activities Introduced/Launched	Actual Amount	Actual / Target x Weight	2	2	2	2	for replacement in 2016
	Average Number of Post Enrollment Services availed of per Retiree	Average Number of Post Enrollment Services availed of per Retiree						Establish baseline
	Sub-total							
SO 11	Quality Management System							
SM 13	ISO 9001 Accreditation		All or Nothing	n/a	n/a	n/a	ISO Certification all sites all processes	Maintain ISO Certification

Internal Process

Learning and Growth

Objective/Measure	Component Formula	Weight	Rating System	Baseline				Target
				2012	2013	2014	2015	
SO 12	Improve Competency of the Workforce							
SM 14	Development of Board-approved Competency Framework	5%	All or Nothing	n/a	n/a	n/a	Submission of Competency Framework and Tables not later than December 2015	Implementation of Competency model and establishment of baseline
	Sub-total	15%						
	TOTAL	100%						

Strategy Initiatives Profile (Annex C)

PHILIPPINE RETIREMENT AUTHORITY

STRATEGIC INITIATIVES PROFILE

I. STRATEGIC INITIATIVES PROFILE I

1. Name of Project: Maintenance of ISO Certification of the PRetA Head Office and Application for ISO Certification of 2 Satellite Offices.

2. Contact Person/ Project Team Head: John Oliver Q. Sanota
OIC-Corporate Planning

3. Project Description:

Establishment of a Quality Management System (QMS), a set of policies, processes and procedures required for planning and execution in the core business area of organizations, is a requirement of EO No. 605 s 2007, entitled Institutionalizing the Structure, Mechanisms and Standards to Implement the Government Quality Management Program, mandating all government department/ agencies including GOCC's and GFDI's to adopt the ISO 9001:2008 Quality Management System Standards for their Agencies.

Impact to PRetA:

- Creates a more efficient and effective operation.
- Improves the quality of service and makes delivery on time
- Develops a culture of quality and continuous improvement within the members of the organization
- Decreases costs due to inefficiency, re-work, and delay hence reduces wastes
- Increases customer satisfaction and retention
- Can serve as one of PRetA's tools in promoting its services, a good foundation for expanding our market.

Activities	Timeline		Budget	Funding Source	Status
	Start	End			
Based on the Project Work Plan	January 2016	December 2016	₱1.1 Million	Corporate Fund	As of this writing, PRetA Head Office's application for ISO is in progress, and the Authority expects to be awarded with the certification before the end of 2015. In 2016, PRetA will work on certification of 2 more Satellite Offices.

II. STRATEGIC INITIATIVES PROFILE II

1. Name of Project: Implementation of the Monitoring System to Determine Retirees' Expenditures

2. Contact Person/ Project Team Head: Irma S. Lappay
OIC-MSD

John Oliver Q. Sanota
OIC-Corporate Planning

3. Project Description:

By the end of 2015, a system that will monitor and measure the actual expenditures of retiree-members (spend on visa deposit conversion, household, medical services, etc.) is expected to be established. This has been one of the corporate targets of PRetA under Social Impact perspective. This project aims to determine:

- the foreign retirees' demand for goods and services;
- the impact of retirement industry in our economy.

Full implementation of the approved system will be on 2016.

Activities	Timeline		Budget	Funding Source	Status
	Start	End			
Actual activities will depend on the content/mechanics in the approved system	January 2016	December 2016	₱120,000	Corporate Funds	Done with the preparation of TOR for the procurement requirement.





Statistics (As of December 31, 2016)Yearly **Enrollment** and **Cancellation** of PRA Participants

YEAR	GROSS ENROLLMENT			CANCELLATION			NET ENROLLMENT
	PRINCIPAL	SPOUSE/ DEPENDENT	SUB- TOTAL	PRINCIPAL	SPOUSE/ DEPENDENT	SUB- TOTAL	
1987	13	4	17	1	-	1	16
1988	100	49	149	2	2	4	145
1989	390	235	625	7	1	8	617
1990	143	152	295	8	5	13	282
1991	94	77	171	15	10	25	146
1992	135	117	252	27	20	47	205
1993	182	169	351	27	20	47	304
1994	314	269	583	37	16	53	530
1995	529	571	1,100	51	22	73	1,027
1996	525	781	1,306	53	53	106	1,200
1997	371	440	811	130	133	263	548
1998	208	217	425	154	155	309	116
1999	324	308	632	119	87	206	426
2000	376	446	822	137	109	246	576
2001	379	466	845	154	151	305	540
2002	322	367	689	198	221	419	270
2003	328	388	716	185	175	360	356
2004	420	513	933	165	148	313	620
2005	589	685	1,274	178	187	365	909
2006	1,283	1,116	2,399	341	236	577	1,822
2007	1,334	1,285	2,619	249	242	491	2,128
2008	1,247	1,150	2,397	404	480	884	1,513
2009	1,009	780	1,789	422	452	874	915
2010	1,266	891	2,157	388	354	742	1,415
2011	1,288	999	2,287	384	319	703	1,584
2012	1,699	1,547	3,246	378	295	673	2,573
2013	1,974	1,833	3,807	401	330	731	3,076
2014	2,593	2,195	4,788	446	386	832	3,956
2015	2,498	2,533	5,031	476	411	887	4,144
2016	2,759	2,797	5,556	661	511	1,172	4,384
TOTAL	24,692	23,380	48,072	6,198	5,531	11,729	36,343

The Top 10 Enrollment (1987-2016)

	Nationalities	Principal	Spouse/Dep.	TOTAL	Percentage
1	Chinese (PROC)	7,545	9,456	17,001	35.37%
2	Korean	4,209	5,876	10,085	20.98%
3	ROC (Taiwan)	1,875	2,341	4,216	8.77%
4	Indian	1,777	1,960	3,737	7.77%
5	Japanese	2,526	881	3,407	7.09%
6	American	1,766	476	2,242	4.66%
7	Chinese (Hong Kong)	627	679	1,306	2.72%
8	British	795	208	1,003	2.09%
9	German	435	162	597	1.24%
10	Australian	420	126	546	1.14%
	Others	2,717	1,215	3,932	8.18%
	TOTAL	24,692	23,380	48,072	100.00%

The Regions Where Active Retirees are Located (1987-2016)

	Regions	Principal	Spouse/Dep.	TOTAL	Percentage
1	National Capital Region	10,305	11,174	21,479	59.17%
2	Region IV-A—CALABARZON	1,573	1,502	3,075	8.47%
3	Region III—Central Luzon	1,514	978	2,492	6.86%
4	Region VII—Central Visayas	1,263	774	2,037	5.61%
5	Region XI—Davao Region	539	476	1,015	2.80%
6	Negros Island Region	370	256	626	1.72%
7	Cordillera Administrative Region (CAR)	297	316	613	1.69%
8	Region VI—Western Visayas	276	268	544	1.50%
9	Region I—Ilocos Region	209	146	355	0.98%
10	Region IV-B—MIMAROPA	200	123	323	0.89%
11	Region X—Northern Mindanao	174	133	307	0.85%
12	Region V—Bicol Region	149	149	298	0.82%
13	Region II—Cagayan Valley	131	101	232	0.64%
14	Region VIII—Eastern Visayas	95	48	143	0.39%
15	Region IX—Zamboanga Peninsula	65	60	125	0.34%
16	Region 12—SOCCSKSARGEN	49	42	91	0.25%
17	Region XIII—CARAGA	48	20	68	0.19%
18	Autonomous Region in Muslim Mindanao (ARMM)	9	13	22	0.06%
	No Local Address Declared	1,196	1,261	2,457	6.77%
	TOTAL	18,462	17,840	36,302	100%

Visa Deposit

I. Investment Deposit (US\$)

Month	1987-2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Sub-Total
January	\$23,611,000.00	\$1,703,000.00	\$5,204,800.00	\$3,888,000.00	\$2,354,500.00	\$2,909,500.00	\$1,677,500.00	\$1,891,000.00	\$2,926,000.00	\$3,440,000.00	\$2,218,500.00	\$3,610,000.00	
February	\$30,823,000.00	\$2,536,500.00	\$5,159,500.00	\$3,169,000.00	\$2,096,500.00	\$3,311,000.00	\$2,417,500.00	\$2,907,500.00	\$3,057,500.00	\$4,115,500.00	\$5,316,000.00	\$5,357,500.00	
March	\$27,204,500.00	\$2,954,500.00	\$3,874,500.00	\$3,182,500.00	\$3,236,000.00	\$4,726,000.00	\$2,022,500.00	\$2,879,500.00	\$3,124,500.00	\$3,122,000.00	\$5,394,500.00	\$5,090,500.00	
April	\$30,507,500.00	\$1,958,000.00	\$2,293,000.00	\$4,094,500.00	\$2,010,500.00	\$2,744,500.00	\$1,745,500.00	\$2,091,000.00	\$3,109,500.00	\$3,498,000.00	\$3,671,000.00	\$5,154,000.00	
May	\$29,230,000.00	\$2,296,000.00	\$2,991,500.00	\$3,223,000.00	\$1,479,000.00	\$2,929,500.00	\$2,562,500.00	\$2,982,600.00	\$3,844,500.00	\$4,730,500.00	\$3,896,500.00	\$4,835,500.00	
June	\$28,232,000.00	\$2,261,500.00	\$3,151,000.00	\$3,033,000.00	\$2,269,500.00	\$3,109,500.00	\$3,042,500.00	\$2,526,000.00	\$3,321,500.00	\$4,684,000.00	\$3,241,000.00	\$6,390,000.00	
July	\$39,678,500.00	\$2,306,500.00	\$3,828,000.00	\$4,176,000.00	\$2,586,000.00	\$3,268,000.00	\$2,606,000.00	\$3,856,000.00	\$5,211,500.00	\$4,564,500.00	\$5,427,500.00	\$4,334,500.00	
August	\$34,142,000.00	\$5,339,500.00	\$3,466,000.00	\$4,184,500.00	\$2,486,000.00	\$3,384,000.00	\$2,653,000.00	\$3,138,000.00	\$3,261,500.00	\$6,689,500.00	\$5,636,500.00	\$5,398,500.00	
September	\$26,322,500.00	\$4,227,500.00	\$3,929,500.00	\$2,432,000.00	\$2,218,000.00	\$3,361,000.00	\$2,290,500.00	\$4,082,500.00	\$2,694,500.00	\$5,916,500.00	\$5,137,000.00	\$4,964,500.00	
October	\$27,040,500.00	\$4,556,500.00	\$3,119,500.00	\$2,544,000.00	\$2,472,500.00	\$2,287,500.00	\$2,693,000.00	\$3,806,000.00	\$3,432,500.00	\$5,411,000.00	\$5,142,500.00	\$4,725,500.00	
November	\$26,330,000.00	\$7,916,500.00	\$3,861,000.00	\$2,083,000.00	\$2,959,000.00	\$1,797,500.00	\$2,031,000.00	\$2,985,500.00	\$3,570,500.00	\$3,407,000.00	\$2,393,500.00	\$3,511,500.00	
December	\$23,811,600.00	\$6,320,000.00	\$2,801,500.00	\$2,202,500.00	\$1,734,500.00	\$2,571,000.00	\$2,523,500.00	\$2,653,000.00	\$3,286,000.00	\$3,417,500.00	\$2,873,000.00	\$3,839,500.00	
	\$346,933,100.00	\$44,375,500.00	\$43,679,800.00	\$38,212,000.00	\$27,902,000.00	\$34,399,000.00	\$28,265,000.00	\$35,798,100.00	\$40,840,000.00	\$52,996,000.00	\$50,347,500.00	\$57,211,000.00	\$800,959,000.00

II. Amount of Cancellation from the Retirement Program due to Termination of Membership of retiree/deceased retiree

January	\$7,946,500.00	\$775,000.00	\$1,035,000.00	\$1,265,000.00	\$1,595,000.00	\$1,225,000.00	\$1,881,500.00	\$976,500.00	\$1,586,500.00	\$1,020,000.00	\$685,000.00	\$611,500.00	
February	\$7,630,000.00	\$2,280,000.00	\$1,450,000.00	\$1,245,000.00	\$1,725,000.00	\$1,645,000.00	\$1,531,500.00	\$926,500.00	\$813,000.00	\$1,275,000.00	\$1,260,000.00	\$3,461,500.00	
March	\$8,701,500.00	\$8,671,500.00	\$1,015,000.00	\$1,350,000.00	\$2,981,500.00	\$1,005,000.00	\$1,865,000.00	\$880,000.00	\$1,061,500.00	\$1,225,000.00	\$1,625,000.00	\$2,388,000.00	
April	\$7,185,000.00	\$850,000.00	\$565,000.00	\$1,645,000.00	\$2,520,000.00	\$1,361,500.00	\$940,000.00	\$695,000.00	\$940,000.00	\$1,160,000.00	\$1,790,000.00	\$1,868,000.00	
May	\$8,293,000.00	\$591,500.00	\$555,000.00	\$2,103,000.00	\$1,430,000.00	\$1,405,000.00	\$635,000.00	\$1,506,500.00	\$850,000.00	\$1,230,000.00	\$910,000.00	\$1,596,500.00	
June	\$9,570,000.00	\$880,000.00	\$1,261,500.00	\$1,106,500.00	\$2,041,500.00	\$1,255,000.00	\$891,500.00	\$1,215,000.00	\$1,126,500.00	\$1,265,000.00	\$1,086,500.00	\$1,935,000.00	
July	\$9,283,000.00	\$650,000.00	\$885,000.00	\$1,615,000.00	\$765,000.00	\$1,475,000.00	\$2,126,500.00	\$1,266,500.00	\$1,645,000.00	\$1,331,500.00	\$1,500,000.00	\$1,098,000.00	
August	\$9,283,000.00	\$1,916,500.00	\$1,405,000.00	\$1,415,000.00	\$1,695,000.00	\$1,881,500.00	\$1,016,500.00	\$775,000.00	\$970,000.00	\$1,215,000.00	\$1,823,000.00	\$1,221,500.00	
September	\$8,346,500.00	\$876,500.00	\$1,153,000.00	\$1,606,500.00	\$1,148,000.00	\$1,740,000.00	\$1,515,000.00	\$1,656,000.00	\$955,000.00	\$1,266,500.00	\$1,076,500.00	\$1,666,500.00	
October	\$8,370,000.00	\$1,045,000.00	\$1,200,000.00	\$1,470,000.00	\$760,000.00	\$821,500.00	\$1,075,000.00	\$730,000.00	\$1,285,000.00	\$1,430,000.00	\$1,115,000.00	\$1,248,000.00	
November	\$8,236,500.00	\$895,000.00	\$1,235,000.00	\$2,805,000.00	\$1,065,000.00	\$1,016,500.00	\$943,000.00	\$915,000.00	\$720,000.00	\$675,000.00	\$941,500.00	\$781,500.00	
December	\$8,078,000.00	\$1,110,000.00	\$970,000.00	\$1,895,000.00	\$870,000.00	\$915,000.00	\$685,000.00	\$1,486,500.00	\$401,500.00	\$1,095,000.00	\$400,000.00	\$1,241,500.00	
	\$99,541,500.00	\$20,541,000.00	\$12,729,500.00	\$19,521,000.00	\$18,596,000.00	\$15,746,000.00	\$15,105,500.00	\$13,028,500.00	\$12,354,000.00	\$14,188,000.00	\$14,212,500.00	\$19,117,500.00	\$274,681,000.00

III. Net Visa Deposit

	\$247,391,600.00	\$23,834,500.00	\$30,950,300.00	\$18,691,000.00	\$9,306,000.00	\$18,653,000.00	\$13,159,500.00	\$22,769,600.00	\$28,486,000.00	\$38,808,000.00	\$36,135,000.00	\$38,093,500.00	\$526,278,000.00
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The 2016 After-Enrollment Services Rendered

TRANSACTIONS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
ID Renewal	1,661	1,963	2,142	1,850	1,898	1,829	1,806	2,023	1,904	1,144	1,614	1,489	21,323
Re-stamping	76	71	86	80	57	68	76	55	101	57	63	52	842
Cancellation	125	121	113	108	101	82	95	106	59	61	81	33	1,085
Subrogation Memo			1				1	6	1		1		9
Transmittal Letter/RIS				3	3	1	3	49	19	14	16	10	118
Conversion of Deposits	7	5	6	13	8	8	5	12	16	15	12	7	114
Ocular Inspection	5	6	3	4	5	6	5	10	7	13	9	5	78
Letter to RD	5	17	5	13	18	14	17	27	21	6	17	8	168
Letter of Introduction (Re-deposit)	2	4		1	1	2		3	3		1		17
Certificate of not the same person								1	3		4	4	12
Certification of Membership	4	13	14	24	7	3	9	37	28	20	49	32	240
Endorsement of Police Clearance Abroad											1		1
Endorsement Letter to NBI							3				1	4	8
Endorsement to DFA												6	6
Bank Transfers	38	39	47	39	21	18	21	17	53	45	21	33	392
Memo Withdrawal of Excess Deposit	2	2						2	2	1	10	5	24
Memo Withdrawal of Interest	1	1											2
Memo for Refund	1						1	4	4	1	1		12
Alien Employment Permit			4	2	1	2	2	3					14
Tax Exemption Certificate			3	1	2	3	3	4		3	6	7	32
LTO Assistance		1	5	1	1	4	4	7	6	3	7	5	44
Philhealth		2	3	4	2	2	1	4	5	4	5	3	35
Makati Blue Card—Senior Citizen	2	4	4	4	6	1	2	2	2	1	4		32

The 2016 Marketing Activities Highlights

ACTIVITY	QUANTITY
International Promotional Campaign	14
Japan	5
Taiwan	3
Korea	1
Canada	1
USA	1
Singapore	1
France	1
Germany	1
Local Promotional Campaign	47
Metro Manila	30
Luzon	8
Visayas	5
Mindanao	4
Sales Calls / Meetings	104
Potential Retirees	40
Potential Marketers	20
Potential Industry Stakeholders	44
Management of Marketers	189
Accreditation (New/Renewed)	168
Marketers' Appreciation/Reward Activity	1
Trainings/Updates/Meetings	20
Management of Other Industry Partners	90
Accreditation (New/Renewed)	48
Briefings/Orientations	42
Briefings (Scheduled/Special)	31
Potential Retirees	15
Potential Marketers	16
Advertising Placements/Publications	1,892
Newspaper/Broadsheet	430
Magazines/Maps/Yearbooks	93
Directories/Coffee Table Books	2
Foreign Chambers/Journals	12
Inflight Magazines	13
International Newspaper	3
Radio/TV	274
Web Marketing/Online	972
Out of Home Advertising	93

The 2016 Local Promotions Highlights

DATE	EVENT	VENUE
January 13, 2016	Business Luncheon with the French Ambassador	Shangri-la Makati
January 14-19, 2016	Sinulog Festival 2016	Cebu City
	a. Nu Sugbo Music The Concert	
	b. Sinulog Float Parade	
January 20-22, 2016	Asean Tourism Forum	SMX Convention Center
February 3-4, 2016	CREBA La Union: Monthly Business Meeting	Sea and Sky Hotel Restaurant, San Fernando City, La Union
February 5-7, 2016	23rd Travel Tour Expo	SMX Convention Center
February 9, 2016	RHC Awarding Ceremony	Hotel Celestre, Makati
February 10-14, 2016	TPB's 3rd Winter Escapade	Princesa Garden Island Resort and Spa, Puerto Princesa, Palawan
February 11-13, 2016	Hot Air Balloon Fiesta	Clark Pampanga
February 23, 2016	Manila Times 3rd Business Forum	New World Manila Bay Hotel
February 23, 2016	Philippine-USA Economic and Business Council (PUBC) of the PCCI Business Meeting	Metropolitan Club, Inc. Estrella cor. Amapola Sts. Guadalupe Viejo, Makati City
February 24, 2016	PhilEXIM Business Forum	Shangri-la Edsa
February 28, 2016	Panagbenga Festival 2016	Baguio City
March 13, 2016	Admiral Baysuites Investors' Tour Forum Event	2138, Roxas Blvd., Malate, Manila
April 8-10, 2016	NAITAS Travel & Trade Show	SMX Convention Center
April 16-17, 2016	Lubao International Balloon Festival	Pradera Verde, Brgy. Prado Siongco, Lubao, Pampanga
April 18, 2016	2nd Frencham Joint Economic Briefing	
April 28, 2016	PHILKOREC-KCCP Fellowship Golf Tournament	Wackwack Golf and Country Club
May 3, 2016	COA 117th Anniversary	SAADo Auditorium, COA Central Office, Quezon City
June 2, 2016	Australian - New Zealand Joint Foreign Chamber's Networking Night	Marriott Grand Ballroom
June 22, 2016	Manila Times 4th Business Forum	Marriott Hotel
June 22, 2016	PCCI - Makati City General Membership Meeting	Makati Sports Club
July 21, 2016	20th PTAA Lakbay Pilipinas	New Conrad Manila Luxury Hotel
July 28-29, 2016	47th PMA's National Marketing Conference	Marriott Grand Ballroom
August 5-7, 2016	NLEX Tara na sa Norte Tourism and Travel Fair	Glorietta Activity Center, Ayala Center, Makati City
August 11, 2016	Elks Lodge 114th Anniversary Caribbean Networking Night	Manila Elks Club, 7th Floor Corinthian Plaza, Paseo de Roxas, Makati City
August 12-13, 2016	3rd Annual Summer Bon Odori	Sugbo Ground SRP, Cebu City
August 19-22, 2016	SMNI's Special Coverage of Kadayawan Festival	Davao City (Magsaysay Park to Rizal Park)
August 20-21, 2016	Coffee Food Wine Fest 2016	Wind Residences, Tagaytay City
August 23-26, 2016	7th OSHDP - HUDCC National Convention	N Hotel, Kauswagan Highway, Cagayan de Oro City
August 25, 2016	2nd Francophone Networking Night	Dusit Thani Hotel
August 27, 2016	Admiral Baysuites Investor's Briefing	West Bay Club, Admiral Baysuites, Roxas Blvd., Manila

DATE	EVENT	VENUE
September 8, 2016	Malcolm Golf Tournament	Wackwack Golf and Country Club
September 9 - 11, 2016	Diving & Resort Travel (DRT) Expo Philippines 2016	5th Leve, Megatrade Hall B, SM Megamall
September 10, 2016	Miriam High School Batch 1991 Homecoming	Marian Auditorium, Miriam College, Katipunan Ave., Q.C.
September 22, 2016	14th Joint Foreign Chamber Networking Night	Marriot Grand Ballroom, Pasay City
September 29, 2016	3rd Networking Night	Fairmont Hotel, Makati City
October 7-9, 2016	2nd NREA Davao Chapter Housing Trade Exhibits	Abreeza Mall, Davao City
October 7-9, 2016	World Travel Expo	SMX Convention Center
October 27, 2016	Tourism Investment Forum	Dumaguete
October 29-31, 2016	Regatta	Puerto Galera
November 4, 2016	5th ANZCham-CanCham AMJ Campbell Trans-Pacific Golf Tournament	The Orchard Golf & Country Club, Dasmariñas, Cavite
November 10 - 14, 2016	Kabuhayan National Livelihood & Travel Fair 2016	SM Megatrade, SM Megamall, Ortigas
November 14, 2016	CANCHAM: Philippine Retirement, Health and	Dusit Thani Hotel
November 16, 2016	Notarial Workshop	British Embassy, McKinley, Taguig City
November 15-17, 2016	CANCHAM: Philippine Retirement, Health and Wellness Tourism	Marriott Hotel, Cebu
November 17-19, 2016	CANCHAM: Philippine Retirement, Health and Wellness Tourism	Royal Mandaya Hotel, Davao

The 2016 International Promotions Highlights

DATE	EVENT	COUNTRY/CITY
January 22-25, 2016	Migrate Investment Seminar	Singapore
March 7-20, 2016	ITB Berlin	Germany / Berlin
	MIPIM (Real Estate Investment Show)	France / Cannes
March 24-28, 2016	Korea Emigration and Investment Fair (Spring 2016)	South Korea / Seoul
March 31-April 4, 2016	Marine Diving Fair	Japan / Tokyo
May 23-29, 2016	WTC Centrallia 2016	Canada / Winnipeg
May 27-30, 2016	Osaka Long Stay Fair	Japan / Tokyo
June 1-5, 2016	Welfare 2016	Japan / Nagoya
June 6-10, 2016	Philippine Business Mission	Japan / Tokyo, Nagoya, and Osaka
June 15-20, 2016	International Senior Lifestyle and Health Care Show	Taiwan / Taipei
November 3-8, 2016	Taipei International Travel Fair	Taiwan / Taipei
November 8-15, 2016	IL Retire Overseas Bootcamp Conference	USA / Las Vegas
November 16-21, 2016	Elder Care Asia 2016	Taiwan / Kaohsiung
November 21-27, 2016	Nikkei Publishing Business Forum / Long Stay Fair	Japan / Tokyo

The **2016** Table of **Trainings** Conducted

DATE	TITLE OF SEMINAR	TRAINING AGENCY	ATTENDEES
February 15-17, 2016	Seminar Workshop on Detailed Procurement Process, Property, Supply and Management and Legal Remedies in Audit	JPLCV Center for Academic Values, Foundation, Inc	Elma A. Corbeta
February 15-17, 2016	Government Procurement Reform Act (RA 9184), its IRR and Updates	AGIA	Scarlet L. Lachica
March 16, 2016	Forum on Government Initiatives: Ensuring Investor's Protection	Office of the Ombudsman	Lina E. Antatico
March 17-19, 2016	Executive Forum on Procurement and Public Administration	JPLCV Center for Academic Values Foundation Inc.	Jaime B. Llames
March 18, 2016	Employer Forum	PAG-IBIG	Virgilio G. Alonzo Randy L. Aviles
April 6, 2016	Orientation Workshop on the enhanced GOCC Monitoring System	GCG	Vanessa A. Olivas Kelvin R. Mares
May 18-19, 2016	Women in Leadership Development	CSI	Ilona Rose P. Ebol
May 23-25, 2016	Managing Transitions through Strategic Human Resource & Organization Development	CSC	Marcelina T. Carbonel Randy L. Aviles Marella Mae G. De Vera
June 8-10, 2016	Innovative Strategies for Development Summit 2016	ICTO and ITU	Herbert E. Mendoza
June 9, 2016	CPCS Train the Trainer Session	GCG	Marcelina T. Carbonel Desiree M. Santos
June 15, 2016	The Leader in a Learning Organization	CSI	Loreto E. Morgia Pedro S. Del Espiritu
June 17, 2016	First Aid and Fire Safety Seminar	CitiTower Condo Corp.	Alexander M. Veneracion Danny E. Fajardo
June 28-29, 2016	National ICT Summit 2016	ICTO	Desiree M. Santos Herbert E. Mendoza
July 4-8, 2016	ICT Resources Acquisition- Project Terms of ICTRA	ICTO	Melarose R. Rogan

DATE	TITLE OF SEMINAR	TRAINING AGENCY	ATTENDEES
July 6-9, 2016	2nd PAGBA Quarterly Seminar/Meeting	PAGBA	Irma S. Lappay Evelyn R. Tansiongco Mari Thea A. Vasquez
July 13-15, 2016	Information Systems Strategic Planning	ICTO	Alexander M. Veneracion
July 26-28, 2016	Ethical Leadership	CSI	Jose Nazareth De Las Alas
August 3-5, 2016	4Cs of Change Management	CSI	Desiree M. Santos
August 24-25, 2016	Mentoring and Coaching for Leaders	CSI	Annalyn A. Eria Heidi C. Sales Alexander M. Veneracion
October 21, 2016	People's FOI Manual Workshop	PCOO	Divina Hernandez John Oliver Q. Sanota
November 11, 2016	GAD Planning and Budgeting for NGA's, Attached Offices, Bureaus and GOCCS	PCW	Jaqueline Z. Elic Lina E. Antatico
November 16-19, 2016	3rd PAGBA Quarterly Seminar and Meeting	PAGBA	Marcelina T. Carbonel Heidi C. Sales
November 17-18, 2016	Coaching and Mentoring for Leaders	CSI	Desiree M. Santos
November 23-25, 2016	Updates on Tax Rules and Regulations	AGIA	Fermin B. Trinidad
December 6-8, 2016	Managing Social Records and Information	Philippine Records Mgt. Association	Angela Mer Generoso Nelissa Joyce Eleazar Annalyn R. Valencia Kristian Camacho Myra D. Olivar Jaqueline Z. Elic
December 7, 2016	Orientation on the Corporate Governance Scorecard	GCG	Ilona Rose P. Ebol Melarose R. Rogan
December 13-15, 2016	Basic Accounting and Internal Control for Non-Accountants	AGIA	Farrah Jane E. Oliva Melba A. Nera Ederliza M. Cuarte
December 14-15, 2016	National Consultation on Migration and Development	NEDA/Commission on Filipinos Overseas	Irma S. Lappay

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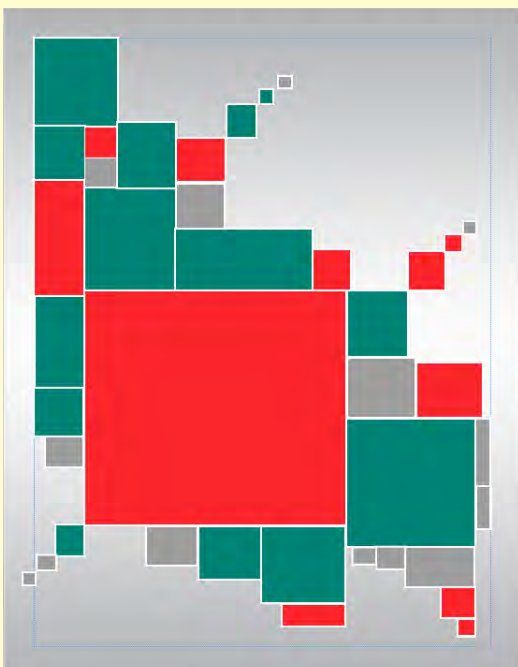
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ABOUT the COVER/CONCEPT



The entirety of the report is themed with boxes/squares. Squares visually symbolizes an enclosed space, a safe place, and security. Many people adapt the typical thinking as they are fearful to explore and discover the potentials of their minds. Thinking out of the box is a well-known catchphrase that connotes creativity. In PRA and any individual's sense, the *box* denotes the habitual minds of the people, and *thinking outside* signifies pondering newer and innovative ways or picturing outside the borders of the conventional mind.

When searching for the contents in a *box*, one just look for its inner substance since it is presumed that it is what the *box* is intended for. Looking for contents inside the *box* is the typical and rational approach. Looking *outside* of the box unleashes the creative and innovative thinking of an individual that aids in the generation of new ideas, different approach, and rare thoughts.

In PRA, it is high time to proliferate its efforts to meet and exceed its purpose and objectives. PRA, thru its people, must go and travel outside each comfort zone and boost outside of the box ideas as several difficulties in an organization or in life itself are solved when one march out of the rugged pathways of one's mind and **think outside of the box**.



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