



10 June 2021

MR. CRISOLOGO D.P. IGNACIO

Acting Chairperson

ATTY. JOVY C. BERNABE

President

PHILIPPINE CROP INSURANCE CORPORATION (PCIC)

7/F, Building A, NIA Complex, EDSA,
 Diliman, Quezon City



**RE : VALIDATION RESULT OF PCIC's
2020 PERFORMANCE SCORECARD**

Dear Chairperson Ignacio and Pres. Bernabe,

This is to formally transmit the validation result of PCIC's 2020 Performance Scorecard. Based on the Governance Commission's validation of the GOCC's documentary submissions, PCIC gained an overall score of **94.96%** (See **Annex A**). The same is to be posted in PCIC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

In relation to the grant of 2020 Performance Based Bonus (PBB) to eligible officers and employees, PCIC can grant such incentive only upon receipt of confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149.²

FOR PCIC's INFORMATION AND GUIDANCE.

Very truly yours,

Digitally signed by:
CHAIRMAN SAMUEL G. DAGPIN, JR.

Digitally signed by:
COMMISSIONER MICHAEL P. CLORIBEL

Digitally signed by:
COMMISSIONER MARITES C. DORAL

cc: COA Resident Auditor – PCIC

¹ Code of Corporate Governance for GOCCS, dated 28 November 2012.

² GOCC Governance Act of 2011.

PHILIPPINE CROP INSURANCE CORPORATION (PCIC)
Validated 2020 Performance Scorecard

SOCIAL IMPACT																									
Component				Target		GOCC Submission		GCG Validation		Supporting Documents	Remarks														
Objective/Measure		Formula	Wt.	2020	Actual	Rating	Score	Rating																	
SO 1	Stabilize the Income of Agricultural Producers																								
SM 1	Amount of Cover (₱M)	Absolute Amount	15%	70,326.00	94,591.59	15%	79,473.31	15%	2020 Executive Summary - Highlights of Regional Operations per Insurance Lines and per Program for CY 2020	Breakdown of the amount of cover (in ₱ B): <table><tr><td>Subsidized</td><td>45,441.66</td></tr><tr><td>Partial/non subsidized</td><td>34,031.65</td></tr><tr><td>Total</td><td>79,473.31</td></tr></table> The difference from PCIC's submitted accomplishment is due to the exclusion of the Agri-Agra Fund. PCIC's 2020 target for subsidized coverage only pertains to the ₱3.5 Billion Government Premium Subsidy		Subsidized	45,441.66	Partial/non subsidized	34,031.65	Total	79,473.31								
Subsidized	45,441.66																								
Partial/non subsidized	34,031.65																								
Total	79,473.31																								
SM 2	Share of small farmers and fisherfolk with agricultural insurance to total number of farmers and fisherfolk increased (in percent)	Total number of unique farmers and fisherfolk enrolled/ Total number of farmers and fisherfolk listed in RSBBSA	0%	22.60%	20.55%	0.00%	16.06%	0.00%	2020 Highlights of Regional Operations 2020 Executive Summary	Breakdown per insurance line: <table><tr><th>Insurance Line</th><th>Total</th></tr><tr><td>Rice</td><td>973,132</td></tr><tr><td>Corn</td><td>303,937</td></tr><tr><td>High Value Livestock</td><td>196,880</td></tr><tr><td>Fisheries</td><td>243,273</td></tr><tr><td>Non-crop</td><td>32,433</td></tr><tr><td>Total</td><td>1,753,144</td></tr></table> 490,158 farmers and fisherfolk with DA-approved insurance coverage but listed under the Non-RSBBSA component of the Agri-Agra were excluded in the validated score. Total RSBBSA beneficiaries is 10,915,180.		Insurance Line	Total	Rice	973,132	Corn	303,937	High Value Livestock	196,880	Fisheries	243,273	Non-crop	32,433	Total	1,753,144
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CUSTOMERS / STAKEHOLDERS																								
Component			Target		GOCC Submission		GCG Validation		Supporting Documents	Remarks														
Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score	Rating																	
SO 2	Expand the Number of Farmers and Other Agricultural Stakeholders Insured																							
SM 3	Percentage of Satisfied Customers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	10%	92%	83.83%	9.11%	83.83%	9.11%	- Development Academy of the Philippines (DAP) Final Report of PCIC Stakeholder Satisfaction Survey - Copy of accomplished Questionnaire	<table><tr><td>Customers</td><td>Farmers and Fisherfolk</td></tr><tr><td>Sample size</td><td>501</td></tr><tr><td>Data Gathering Method</td><td>Systematic random sampling</td></tr><tr><td>Frequency</td><td>Annual</td></tr><tr><td>Coverage</td><td>Nationwide</td></tr></table>	Customers	Farmers and Fisherfolk	Sample size	501	Data Gathering Method	Systematic random sampling	Frequency	Annual	Coverage	Nationwide				
Customers	Farmers and Fisherfolk																							
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Coverage	Nationwide																							
Number of Subsistence Farmers Enrolled																								
SM 4	a. Subsidized	Actual number of subsistence farmers	20%	1,800,144	2,286,219	20.00%	1,753,144	19.48%	2020 Executive Summary - Highlights of Regional Operations per Insurance Lines and per Program for CY 2020	Only the farmers registered under the RSBSA were considered in the validation. As noted during the TPM, the target was aligned with the NEP and PDP 2017-2022, which only covered the ₱3.5 Billion GPS. As such, the other programs not targeted were excluded in the validated score The farmers are categorized per insurance line: <table><tr><td>Rice</td><td>61,273</td></tr><tr><td>Corn</td><td>20,782</td></tr><tr><td>High Value Livestock</td><td>6,276</td></tr><tr><td>Fisheries</td><td>36,025</td></tr><tr><td>Non-crop</td><td>2,060</td></tr><tr><td>CLTI</td><td>259</td></tr><tr><td>TOTAL</td><td>804,032</td></tr></table>	Rice	61,273	Corn	20,782	High Value Livestock	6,276	Fisheries	36,025	Non-crop	2,060	CLTI	259	TOTAL	804,032
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b. Non-Subsidized	10%	666,687	804,032	10.00%	804,032	10.00%																		
Sub-total			40%			39.11%		38.59%																

Component		Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks											
Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score			Rating										
SO 3	Increase Revenue Generation																		
SM 5	Percentage of Utilized Government Premium Subsidy for Farmers (₱ M)	Utilized Budget / GPS received	15%	100% (3,500.00)	138% (4,824.048)	15.00%	100% (3,500.00)	15.00%	Out of the ₱4.824 Billion total utilization, only ₱3.500 Billion was traced to the RSBSA, while the remaining ₱1.324 Billion was from the Agri-Agra Fund and the Corporate Fund. PCIC issued Board Resolution Nos. 2021-021 and 2021-024 amounting to ₱57 Million and ₱508 Million, respectively, to augment the GPS. • Summary of GPS as of 31 Dec. 2019 • GPS Utilization per Region										
SM 6	EBITDA (₱ M)	Absolute Amount	5%	344.960	805.831	5.00%	652.333	5.00%	The variance is attributed to the interest income which PCIC added back to derive its EBITDA. It should be noted that the same is not among the non-deductible items for EBITDA purposes. The breakdown is as follows: <table><tr><td>Particulars</td><td>Amt (in ₱M)</td></tr><tr><td>Net Income</td><td>₱ 634,139</td></tr><tr><td>Add:</td><td></td></tr><tr><td>Depreciation</td><td>18,194</td></tr><tr><td>EBITDA</td><td>₱652,333</td></tr></table> • COA-submitted Income Statement	Particulars	Amt (in ₱M)	Net Income	₱ 634,139	Add:		Depreciation	18,194	EBITDA	₱652,333
Particulars	Amt (in ₱M)																		
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Add:																			
Depreciation	18,194																		
EBITDA	₱652,333																		
Subtotal		20%				20.00%		20.00%											

INTERNAL PROCESS										
Component			Target		GOCC Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score	Rating			
SO 4	Improve Efficiency and Effectiveness of Systems and Procedures for Implementing the Agricultural Insurance Programs									
SM 7	Percentage of complaints resolved within the prescribed timeline	Resolved complaints within the prescribed timeline over Total number of complaints received	5%	100%	86.73%	4.34%	86.73%	4.34%	- Monitoring report per regional office - Sample complaints from Regions	For 2020, 575 out of 663 total complaints received were resolved within the ten (10) day prescribed period. *Approval of PCIC's compliance with Ease of Doing Business Act (R.A. 11032) is still pending.
SM 8	Percentage of claims processed within the prescribed timeline	No. of claims settled within the prescribed timeline over Total number of claims received with complete documents	10%	100%	70.26%	7.03%	70.26%	7.03%	- Monitoring report per regional office - Sample claims from Regions	For 2020, 329,434 out of 468,893 total number of claims filed were processed within the prescribed period of twenty (20) days. *Approval of PCIC's compliance with Ease of Doing Business Act (R.A. 11032) is still pending.
SM 9	ISO 9001 Certification	Milestone	5%	Passed Surveillance Audit	Passed Surveillance Audit	5.00%	Passed Surveillance Audit	5.00%	Certification by TÜV Rheinland	The Certification dated 24 November 2020 is valid from 27 October 2020 until 27 December 2021, subject to annual surveillance audit.
		Subtotal	20%			16.37%		16.37%		

Component		Target		GOCC Submission		GCG Validation		Supporting Documents	Remarks		
		Objective/Measure	Formula	Wt.	2020	Actual	Rating			Score	Rating
SO 5 Enhance the Human Resource Management											
LEARNING AND GROWTH	SM 10	Percentage of Employees with Required Competencies Met	Incumbents meeting required competency over Filled plantilla	5%	Improvement from 2019 Score	53.06% of employees met the required competencies	5.00%	53.06%	5.00%	Competency Assessment Result of Head Office and 13 Regional Offices	104 out of 196 plantilla personnel met the required competencies of their respective positions.
			Sub-total	5%			5.00%		5.00%		
			TOTAL	100%				95.48%		94.96%	