

Press Release

GOLD AWARD FOR PAG-IBIG'S CORPORATE GOVERNANCE

Pag-IBIG Fund has won Gold Award from the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). The awarding ceremony was held at its 39th Annual Meetings in Apia, Samoa on May 2-5, 2016. The international non-governmental organization (NGO) recognized Pag-IBIG's outstanding corporate governance initiatives on its three projects: (a) integrity practices and good governance among its stakeholders, (b) improved insurance coverage for home borrowers, and (c) proper management of its acquired assets.

"The recognition from ADFIAP affirms that Pag-IBIG Fund is on the right track in its good governance initiative, as we are guided by excellence and integrity in our performance and dealings with our stakeholders. We work on reaching and even exceeding our targets with utmost regard to doing the work with integrity of the agency and its people. We have been institutionalizing measures that promote good governance, among them our three projects that bagged the Gold Award," Pag-IBIG Fund President & CEO Atty. Darlene Marie B. Berberabe said.

Integrity Pledge for Pag-IBIG Fund Stakeholders

In 2015, Pag-IBIG Fund conducted a series of Signing of the Integrity Pledge and Governance & Integrity Forum for Pag-IBIG Fund stakeholders in five venues nationwide. The series of signings gathered a total of 251 stakeholders who signed the Integrity Pledge on behalf of their respective companies, agencies, or associations. Through the Signing and Forum, Pag-IBIG Fund widened the reach of the Integrity Pledge by gathering its stakeholders and orienting them on the concepts of Governance & Integrity and on the importance of giving their commitments to practicing Integrity when dealing with Pag-IBIG Fund, starting with their recitation and signing of the Integrity Pledge. The Integrity Pledge is part of the Integrity Initiative campaign being implemented by the Makati Business Club and the European Chamber of Commerce of the Philippines.

Improved Terms of Insurance Coverage for Housing Loan Borrowers

Pag-IBIG Fund bidded out in 2014 the contract for the life insurance coverage for housing loan borrowers. This was previously provided for years by an insurance pool whose contract did not have a period, and did not undergo any type of public bidding. Pag-IBIG was firm in its stand to bid it out, and closely coordinated with the Department of Finance, the Insurance Commission, and the Governance Commission on GOCCs (GCG), to be correctly guided as to the process that should be followed. As a result, the new insurance provider was able to reduce the premiums by half from P0.41 per P1,000 to only P0.23 per P1,000. For the first time, burial benefit up to P20,000 will be given to the heirs in case of the borrower's death, full payment of loan in case of borrower's permanent total disability, amortization support up to P500,000 in case of terminal illness, and 20% share of the insurer's profits by way of Experience Refund. The previous additional P2 per P1,000 OFW premium and additional medically-substandard premium rate have also been scrapped under the new arrangement. Processing time for claims has also become faster.

Proper Management of Acquired Assets

Pag-IBIG Fund continued to practice prudent fund management of the money of its 16 million members by managing its foreclosed assets portfolio through proper disposal and effective collection. In 2015, Pag-IBIG achieved the highest recorded corporate disposal of acquired assets in the last five years, comprising of 19,567 accounts with a total book value of P6.951 Billion. For the same year, Pag-IBIG also collected P4.168 Billion, the highest collection from the sale of its acquired assets since 2011.

The ADFIAP is an international NGO that is in consultative status with the United Nation's Economic and Social Council and a founding member of the World Federation of Development Financial Institutions. It currently has 100 member-institutions in 39 countries. ADFIAP gives out Outstanding Development Project Awards to recognize and honor ADFIAP members which have undertaken and/or assisted projects that have created a development impact in their respective countries. This year's judges include ADFIAP officials and officers of top development financial institutions in the Philippines. (END)