



GCG MEMORANDUM CIRCULAR NO. 2021 – 01

SUBJECT : INTERIM PERFORMANCE-BASED INCENTIVE (PBI) SYSTEM FOR THE APPOINTIVE DIRECTORS OF GOCCS COVERED BY GCG FOR CY 2020 AND FOR THE YEARS THEREAFTER

DATE : 28 JANUARY 2021

1. **BACKGROUND AND PURPOSE.** – This Circular has been issued to provide for an Interim Performance-Based Incentive (PBI) for Appointive Members of the Governing Boards of GOCCs covered by the “*GOCC Governance Act of 2011*” (R.A. No. 10149) pursuant to Section 23 thereof, and using as reference, among others, Executive Order No. 24, s. 2011 (E.O. No. 24).¹
2. **COVERAGE.** – This Circular shall cover GOCCs with the GCG-authorized Performance-Based Bonus (PBB) starting year 2020 and onwards.
3. **SUBMISSION OF PBI APPLICATION.** – Applications for the PBI shall only be submitted to the GCG upon receipt of the authorization to grant the PBB and the result of the Performance Evaluation for Directors (PED) for the applicable year, whichever is later.

GOCCs that are deemed ineligible for the grant of PBB shall automatically be ineligible for the grant of PBI for the applicable year.

4. **CONDITIONS PRECEDENT TO ENTITLEMENT TO PBI.** – In order for an Appointive Director to be entitled to PBI, the following conditions must be fulfilled for the applicable calendar year:
 - 4.1. ***GOCC Level.*** – The GOCC where the Appointive Director serves was eligible and granted the Performance-Based Bonus (PBB) to Officers and Employees pursuant to the PBB Circular for the applicable year, namely:

¹ *Prescribing Rules to Govern the Compensation of Members of the Board of Directors/ Trustees in Government Owned or – Controlled Corporations including Government Financial Institutions.*