



BANGKO SENTRAL NG PILIPINAS

ORGANIZATION PRIMER

As of 02 May 2018

Contents

BSP Vision	3
BSP Mission	3
BSP Core Values	4
Responsibilities and Primary Objective of the BSP	5
The Monetary Board	6
Powers and Duties of the Governor	8
BSP Hierarchical Structure	10
BSP Organization Chart	11
Offices under the Monetary Board and the Governor	12
Financial Supervision Sector	13
Monetary and Economics Sector	17
Currency Management Sector	19
Corporate Services Sector	21

BSP Vision

Naghahangad ang BSP na makilala sa buong mundo bilang pangunahing tagapamahala ng sistema at kaayusan ng pananalapi at ekonomiya upang maitaguyod ang mataas na antas ng kabuhayan para sa lahat ng Pilipino.

BSP Mission

To promote and maintain price stability, a strong financial system and a safe and efficient payments and settlements system conducive to an inclusive and sustainable growth of the economy.

BSP Core Values

Excellence – Consistently doing our best to master our craft, continually improving our competencies and learning new things in pursuit of the organizational goals, comparable to the best practices of other central banks

Patriotism – Selfless commitment to the service of the Filipino people and the country

Integrity – Performing mandate with sincerity, honesty and uprightness, worthy of respect and emulation from others

Solidarity – Performing with team spirit; acting and thinking as one in the pursuit of common goals and objectives

Accountability – Taking full responsibility for one's or group's actions

Responsibilities and Primary Objective of the BSP

It shall be the responsibility of the BSP:

1. to provide policy directions in the areas of money, banking, and credit;
2. to supervise the operations of the banks and to exercise such regulatory powers as provided under Republic Act No. 7653 (The New Central Bank Act) and other pertinent laws over the operations of the finance companies and other non-bank institutions performing similar functions.

Its primary objective is to maintain price stability conducive to a balanced and sustainable growth of the economy. It shall promote and preserve monetary stability and the convertibility of the peso.

The Monetary Board

In the exercise of its authority, the Monetary Board shall:

1. issue rules and regulations it considers necessary for the effective discharge of the responsibilities and exercise of the powers vested upon the Monetary Board and the Bangko Sentral;
2. direct the management, operations, and administration of the Bangko Sentral, reorganize its personnel, and issue such rules and regulations as it may deem necessary or convenient for this purpose. The legal units of the Bangko Sentral shall be under the exclusive supervision and control of the Monetary Board;
3. establish a human resource management system which shall govern the selection, hiring, appointment, transfer, promotion, or dismissal of all personnel. Such system shall aim to establish professionalism and excellence at all levels of the Bangko Sentral in accordance with sound principles of management.

A compensation structure, based on job evaluation studies and wage surveys subject to the Board's approval, shall be instituted as an integral component of the Bangko Sentral's human resource development program.

On the recommendation of the Governor, appoint, fix the remunerations and other emoluments, and remove personnel of the Bangko Sentral, subject to pertinent civil service laws: Provided, that the Monetary Board shall have exclusive and final authority to promote, transfer, assign, or reassign personnel of the Bangko Sentral and these personnel actions are deemed made in the interest of the service and not disciplinary: Provided, further, that the Monetary Board may delegate such authority to the Governor under such guidelines as it may determine;

4. adopt an annual budget for and authorize such expenditures by the Bangko Sentral in the interest of the effective administration and operations of the Bangko Sentral in accordance with applicable laws and regulations; and

5. indemnify its members and other officials of the Bangko Sentral, including personnel of the departments performing supervision and examination functions against all costs and expenses reasonably incurred by such persons in connection with any civil or criminal action, suit or proceedings to which he may be, or is, made a party by reason of the performance of his functions or duties, unless he is finally adjudged in such action or proceeding to be liable for negligence or misconduct.

Powers and Duties of the Governor

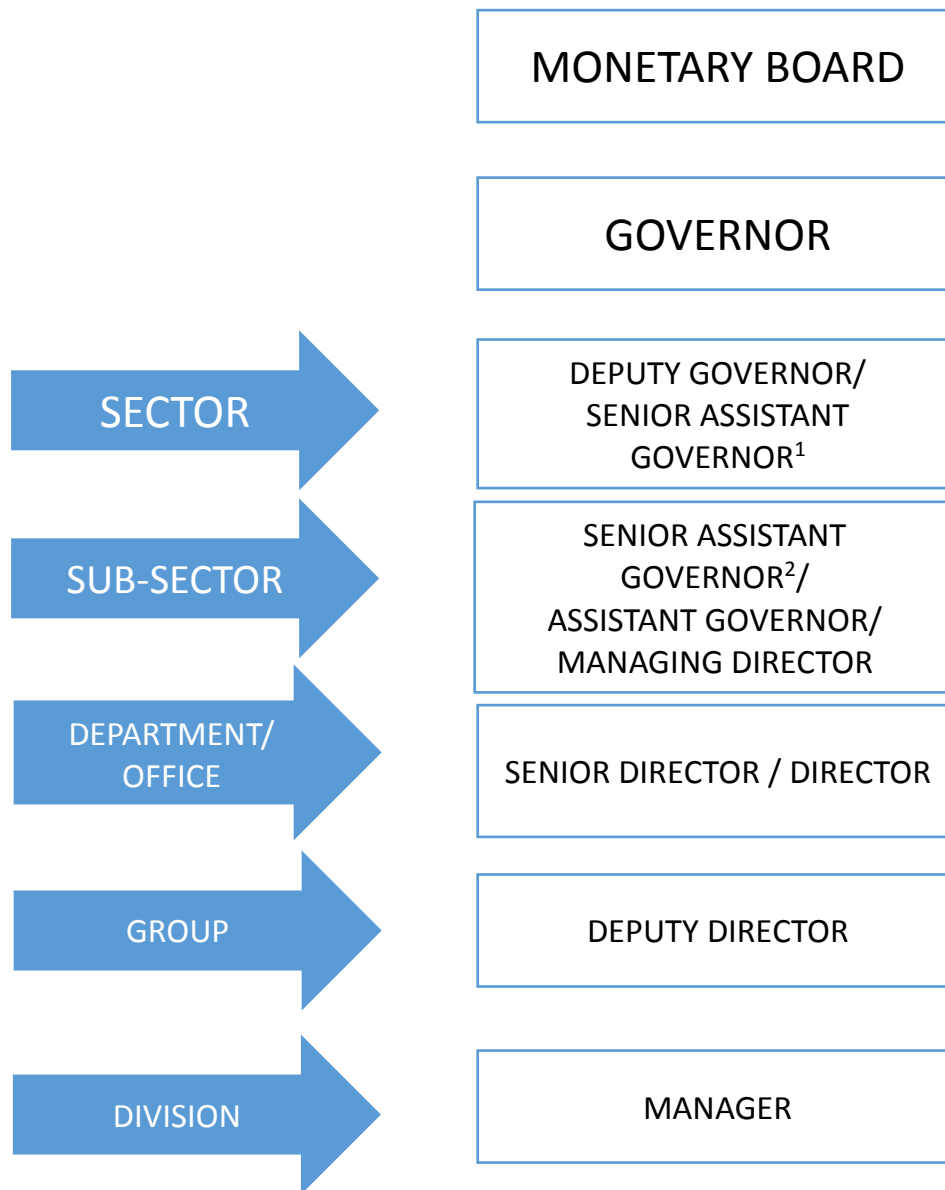
Pursuant to Republic Act No. 7653 (The New Central Bank Act), the Governor shall be the Chief Executive Officer of the Bangko Sentral. His powers and duties shall be to:

- a) prepare the agenda for the meetings of the Monetary Board and to submit for the consideration of the Board the policies and measures that he believes to be necessary to carry out the purposes and provisions of said Act;
- b) execute and administer the policies and measures approved by the Monetary Board;
- c) direct and supervise the operations and internal administration of the Bangko Sentral. The Governor may delegate certain administrative responsibilities to other officers or may assign specific tasks or responsibilities to any full-time member of the Monetary Board without additional remuneration or allowance whenever he may deem fit or subject to such rules and regulations as the Monetary Board may prescribe;
- d) appoint and fix the remunerations and other emoluments of personnel below the rank of a department head in accordance with the position and compensation plans approved by the Monetary Board, as well as to impose disciplinary measures upon personnel of the Bangko Sentral, subject to the provisions of Section 15(c) of said Act: Provided, That removal of personnel shall be with the approval of the Monetary Board;
- e) render opinions, decisions, or rulings, which shall be final and executory until reversed or modified by the Monetary Board, on matters regarding application or enforcement of laws pertaining to institutions supervised by the Bangko Sentral and laws pertaining to quasi-banks, as well as regulations, policies or instructions issued by the Monetary Board, and the implementation thereof; and
- f) exercise such other powers as may be vested in him by the Monetary Board.

The Governor of the Bangko Sentral shall be the principal representative of the Monetary Board and of the Bangko Sentral and, in such capacity and in accordance with the instructions of the Monetary Board, he shall be empowered to:

- a) represent the Monetary Board and the Bangko Sentral in all dealings with other offices, agencies and instrumentalities of the Government, and all other persons or entities, public or private, whether domestic, foreign or international;
- b) sign contracts entered into by the Bangko Sentral, notes and securities issued by the Bangko Sentral, all reports, balance sheets, profit and loss statements, correspondence, and other documents of the Bangko Sentral;
- c) represent the Bangko Sentral, either personally or through counsel, including private counsel, as may be authorized by the Monetary Board, in any legal proceedings, action or specialized legal studies; and
- d) delegate his power to represent the Bangko Sentral, to other officers upon his own responsibility: Provided, however, That in order to preserve the integrity and the prestige of his office, the Governor of the Bangko Sentral may choose not to participate in preliminary discussions with any multilateral banking or financial institution on any negotiations for the Government within or outside the Philippines. During the negotiations, he may instead be represented by a permanent negotiator.

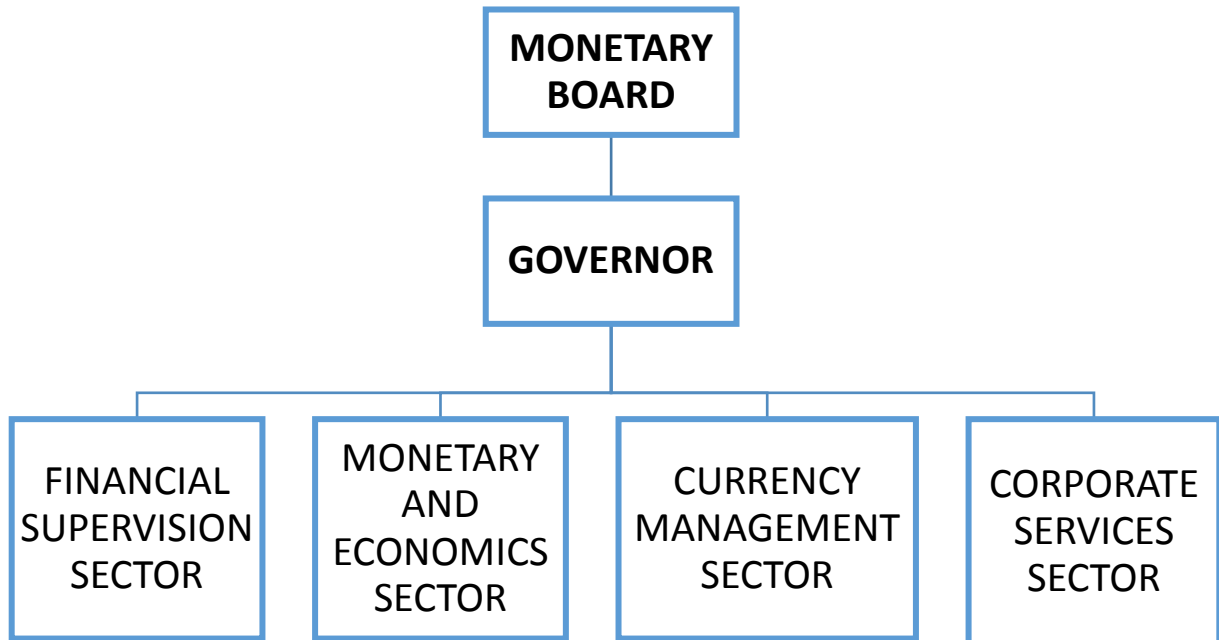
BSP Hierarchical Structure



¹ In the case of the Head of the Currency Management Sector

² In the case of the Head of the Financial Market Operations Sub-Sector

BSP Organization Chart



- ❖ **Financial Supervision Sector (FSS)** – mainly responsible for the regulation of banks and other BSP-supervised financial institutions, as well as the oversight and supervision of financial technology and payment systems
- ❖ **Monetary and Economics Sector (MES)** – mainly responsible for the operations/activities related to monetary policy formulation, implementation, and assessment
- ❖ **Currency Management Sector (CMS)** – mainly responsible for the forecasting, production, distribution, and retirement of Philippine currency, as well as security documents, commemorative medals, and medallions
- ❖ **Corporate Services Sector (CSS)** – mainly responsible for the effective management of corporate strategy, communications, and risks, as well as the BSP’s human, financial, technological, and physical resources to support the BSP’s core functions

Offices under the Monetary Board and the Governor

OFFICES DIRECTLY REPORTING TO THE MONETARY BOARD

❖ Office of the General Counsel and Legal Services

- Renders legal advisory services to the Monetary Board and other BSP units on matters relating to policies, functions, operations, and regulations of the BSP
- Prosecutes and defends cases involving the BSP, the Monetary Board, and Management in judicial and administrative proceedings

❖ Office of Special Investigation

- Investigates, mediates, and when necessary, prosecutes bank irregularities and anomalies noted in the examination reports submitted by the Supervision and Examination Sector

❖ Internal Audit Office

- Reviews and appraises the effectiveness of operating control systems of the BSP and makes recommendations to address findings
- Monitors utilization of security materials and other resources of the BSP

❖ Office of the Secretary, Monetary Board

- Provides secretarial and administrative support to the Monetary Board

OFFICE DIRECTLY REPORTING TO THE OFFICE OF THE GOVERNOR

❖ Office of Systemic Risk Management

- Develops and implements the financial stability frameworks for: (i) continuing surveillance and tracking of systemic risks and their channels of contagion; (ii) identifying and addressing issues arising from local and cross-border policy initiatives and signed agreements; (iii) designing, delivering and evaluating the impact of capacity building programs, advocacy programs and learning roadmaps; and (iv) assessing issues arising from the impact of market news and developments, preparing communication responses to said issues and assessing the effectiveness of said responses
- Manages the technical and secretarial requirements of the Financial Stability Committee, and the Financial Stability Coordination Council, among others

Financial Supervision Sector

- ❖ **Inclusive Finance Advocacy Office**
 - Focuses on advocacy work with financial institutions to promote sustainable methods in the delivery of microfinance and the small and medium enterprise banking services
 - Develops evidence-based policies
 - Provides technical support to internal and inter-agency committees to support building an inclusive financial system

- ❖ **FSS Operations Management Group**
 - Responsible for the overall coordination of FSS training activities
 - Assists in the deployment of appropriate human resources to scheduled on-site examinations

- ❖ **Central Administrative Services Group**
 - Undertakes sector-wide services relating to personnel, budget and finance, records, facilities, property and supplies, and frontline services administration of the FSS

- ❖ **FSS Technical Services Staff**
 - Provides immediate advisory services to the FSS Deputy Governor and to the FSS operating units on matters with technical, legal and compliance dimensions, and assistance on various activities arising from the conduct of supervisory and regulatory functions

- ❖ **Payment System Oversight Department**
 - Serves as the Bank's dedicated unit for the formal oversight of the national payment system (NPS) which shall issue policies and regulations relevant to the NPS and ensure that BSP Supervised Financial Institutions and other participants in the payment system adhere to payments-related policies and applicable international standards.

SUPERVISORY POLICY SUB-SECTOR

- ❖ **Office of Supervisory Policy Development**
 - Serves as the central policy research and development unit of the Sector

- ❖ **Supervisory Data Center**
 - Serves as the central collection, quality assurance, processing, and distribution point of all financial sector data coming into or being released by the Sector

❖ **Financial Consumer Protection Department**

- Serves as the Bank's principal consumer protection unit which shall ensure the protection of financial consumer rights by formulating related policies and standards, assessing supervised financial institutions' adherence to the said standards, and implementing financial learning programs and the BSP consumer assistance mechanism

FINANCIAL SUPERVISION SUB-SECTOR I

❖ **Examination Departments I and II**

- In-charge of the on-site examination of:
 - universal banks and their subsidiaries/affiliates;
 - commercial banks and their subsidiaries/affiliates;
 - foreign banks and their subsidiaries/affiliates; and
 - thrift, cooperative, and rural banks

❖ **Central Point of Contact Departments (CPCDs) I and II**

- Maintains the Institutional Overview (a document that represents a continuously updated report of examination), handles critical requests of banks and non-banks that require BSP approval, and supports implementation of new supervisory processes and concerns
- Maintains updated information on the plans and structure of the consolidated organization, including overall operations and the nature and extent of inter-company relationships within the consolidated institution

❖ **Capital Markets Specialist Group**

- Examines capital market activities of BSP-supervised financial institutions, including treasury operations, market and liquidity risk management, and trading of capital markets products

❖ **Trust Specialist Group**

- Examines risk exposure that may arise from trust, other fiduciary business, and investment management activities of financial institutions

❖ **Core Information Technology Specialist Group**

- Conducts information technology (IT) supervision and examination of banks and non-bank financial institutions, including payment systems
- Ensures a safe and sound cyber-security environment for the Philippine financial services industry through cyber-security surveillance and oversight

❖ **Regional Supervisory Services Division I**

- Provides timely frontline services in relation to all financial institutions' supervision matters
- Provides support to the CPCDs and the other examination departments

FINANCIAL SUPERVISION SUB-SECTOR II

❖ **Examination Departments III and IV**

- In-charge of the on-site examination of:
 - universal banks and their subsidiaries/affiliates;
 - commercial banks and their subsidiaries/affiliates;
 - foreign banks and their subsidiaries/affiliates; and
 - thrift, cooperative, and rural banks

❖ **Central Point of Contact Departments III and IV**

- Maintains the Institutional Overview (a document that represents a continuously updated report of examination), handles critical requests of banks and non-banks that require BSP approval, and supports implementation of new supervisory processes and concerns
- Maintains updated information on the plans and structure of the consolidated organization, including overall operations and the nature and extent of inter-company relationships within the consolidated institution

❖ **Anti-Money Laundering Specialist Group**

- Examines financial institutions with operations that present a higher risk of money laundering activities

❖ **Micro, Small, and Medium Enterprise Finance Specialist Group**

- Examines banks that have adopted a business model dedicated to or highly exposed to micro, small, and medium enterprises

❖ **Regional Supervisory Services Division II**

- Provides timely frontline services in relation to all FIs' supervision matters
- Provides support to the CPCDs and the other examination departments

FINANCIAL SUPERVISION SUB-SECTOR III

❖ **Integrated Supervision Department I**

- Monitors and supervises non-bank financial institutions, including investment houses with quasi-banking and/or trust license, and non-stock savings and loans associations

❖ **Integrated Supervision Department II**

- Supervises and examines banks through:
 - Off-site maintenance and updating of Institutional Overviews and Briefers, risk profiling, evaluating and processing banks' requests and applications, and monitoring compliance with BSP directives and bank-committed undertakings; and
 - Conduct of on-site examination

Monetary and Economics Sector

MONETARY POLICY SUB-SECTOR

- ❖ **Department of Economic Research**
 - Principal policy research and technical arm of the Bank
 - Produces monetary and economic data needed in the formulation and implementation of monetary policy
- ❖ **Department of Economic Statistics**
 - Generates monetary and economic statistics needed in the formulation and implementation of monetary policy
- ❖ **Center for Monetary and Financial Policy**
 - Develops a comprehensive and integrated research program that will provide the research resources required for the formulation of monetary policies
- ❖ **Economic and Financial Learning Center**
 - Central arm of the Bank in providing monetary, financial, and economic information to the public

INTERNATIONAL MONETARY AFFAIRS & SURVEILLANCE SUB-SECTOR

- ❖ **Investor Relations Office**
 - Assists in developing relations with the international financial community, and promotes the Philippines as an investment site
- ❖ **International Operations Department**
 - Supports the promotion and maintenance of monetary stability and external sustainability through the management of external debt, foreign investments, and other foreign exchange transactions
- ❖ **International Relations Department**
 - Monitors and analyzes regional and global economic, financial, and trade development issues, and assesses their impact on the Philippine economy
 - Strengthens and initiates relations with foreign entities by complying with the commitments arising from membership, and participating in international and regional associations and groupings

CREDIT & PAYMENT OPERATIONS SUB-SECTOR

❖ Department of Loans and Credit

- Implements the credit policies of the BSP
- Extends loans and advances to banks
- Conducts credit examination of banks
- Undertakes studies on credit policies

❖ Payments and Settlements Office

- Ensures the smooth flow of the country's payments and settlements system through the management of the Philippine Payments and Settlements Systems or PhilPaSS
- Responsible for the implementation and operation of the Personal Equity and Retirement Account Registry System

FINANCIAL MARKET OPERATIONS SUB-SECTOR (FMOSS)

- FMOSS manages the BSP's international reserves, in accordance with monetary and foreign exchange policies, at a level and a mix that allows the BSP to meet any demand for foreign currency, undertakes open market operations and transacts with accredited government securities dealers and the rest of the members of the banking system, and participates in the Philippine Dealing System to ensure the competitiveness of the Philippine peso and its convertibility into other acceptable foreign currencies
- FMOSS includes the following departments/offices:
 - ❖ Reserves Management Department I
 - ❖ Reserves Management Department II
 - ❖ Domestic Market Operations Department
 - ❖ Investment Risk & Analytics Office
 - ❖ Market Support Services Office

Currency Management Sector

❖ Department of General Services

- Manages the procurement of supplies, equipment, and services for the CMS, client affairs and information programs, development/implementation of CMS construction/renovation projects, and general maintenance and upkeep of its facilities

❖ Financial Services Group

- Prepares financial statements, records financial receipts/disbursements, and processes bills for payment

CURRENCY PRODUCTION SUB-SECTOR

❖ Banknotes and Securities Production Management Department

- Handles various control and support functions in relation to the printing of banknotes and other security documents

❖ Banknotes and Securities Printing Department

- Performs the printing of banknotes, judicial forms, and other security documents

❖ Mint and Refinery Operations Department

- Manages and performs the minting of coins and commemorative medals, and the refinery of gold purchased from local panners and miners

REGIONAL OPERATIONS SUB-SECTOR (ROSS)

- ROSS supervises the BSP Regional Offices/Branches in performing the following functions: cash operations, cash administration, gold buying operations, and economic and financial literacy programs.

❖ *La Union Regional Office*

- Cabanatuan Branch
- Tuguegarao Branch
- Batac Branch
- San Fernando (Pampanga) Branch
- Dagupan Branch

❖ *Davao Regional Office*

- Cotabato Branch
- Zamboanga Branch
- Ozamiz Branch
- Cagayan de Oro Branch
- General Santos Branch
- Butuan Branch

❖ *Cebu Regional Office*

- Bacolod Branch
- Dumaguete Branch
- Iloilo Branch
- Roxas Branch
- Tacloban Branch

❖ *Reporting directly to ROSS*

- Legazpi Branch
- Lucena Branch
- Naga Branch

METRO MANILA CURRENCY OPERATIONS SUB-SECTOR

❖ Currency Issue and Integrity Office

- Issues currency to Cash Department and Regional Operations Sub-sector based on their requisitions
- Preserves and maintains the integrity of currency

❖ Cash Department

- Responsible for the supply, issuance, and exchange of currency
- Serves as depository and custodian of cash, securities, gold, and other forms of valuable assets

Corporate Services Sector

❖ **Provident Fund Office**

- Administers the Provident and Housing Funds, and implements policies and directives of the Provident Fund's Board of Trustees
- Manages the Funds' investment portfolio and its earnings

❖ **Business Continuity Office**

- Serves as the BSP's technical advisor on matters pertaining to business continuity management and as coordinator for the Deputy Governor, CSS, in ensuring immediate action by appropriate responding units for the smooth implementation of existing plans and procedures

❖ **Corporate Planning Office**

- Provides technical support to Management in the formulation and application of strategic plans and practices, and in the development of policies and guidelines in preparing departmental work plans

❖ **Corporate Affairs Office**

- Implements programs and policies on public relations and advertising through various media to promote and enhance BSP's corporate image

❖ **Risk Management Office**

- Aggregates various risk exposures of the Bank, and identifies appropriate risk control measures
- Ensures that appropriate risk management practices are being implemented in the Bank at all times

❖ **Systems and Methods Office**

- Ensures a well-organized and integrated Bank-wide effort to develop and maintain efficient systems and procedures
- Provides recommendations along the areas of manualization, business process reengineering, and systems support

MANAGEMENT SERVICES SUB-SECTOR

❖ **Facilities Management and Engineering Department**

- Responsible for the general upkeep of the BSP main building complex and premises
- Responsible for the operations and maintenance of all mechanical, electrical, electronic, and auxiliary/accessory equipment systems of the Bank

❖ **Project Development and Management Office**

- Supervises the construction and renovation of offices and buildings in the BSP Main Office, Security Plant Complex, and BSP Regional Offices/Branches, and the maintenance of the Philippine International Convention Center

❖ **Procurement Office**

- Processes purchase requisitions from departments/offices
- Assists the Bids and Awards Committee – Head Office in the conduct of procurement activities

❖ **Administrative Services Department**

- Responsible for property control, insurance of real and movable properties, warehousing, records management, printing of bank circulars/internal issuance/forms, mail distribution, and telephone switch board operations

❖ **Asset Management Department**

- Administers, preserves, and disposes properties acquired or foreclosed by the BSP in payment for loans secured from the Bank, including real estate holdings which are not utilized or earmarked for use pursuant to its objectives/regular business

❖ **Security, Investigation and Transport Department**

- Protects and safeguards the Bank's human, financial, and physical resources, and manages the Bank's motor pool
- Investigates, conducts searches and seizures, and arrests persons in accordance with law for the purpose of maintaining the integrity of the currency

HUMAN RESOURCE SUB-SECTOR

❖ **Human Resource Management Department**

- Provides human resource services including recruitment, appointment, personnel selection and placement, compensation and benefits, payroll, leave and retirement, and employee relations
- Promotes employee welfare through wellness programs/initiatives and other employee services

❖ **Human Resource Development Department**

- Manages the development of the Bank as an organization and its human capital through organizational change and development, and organizational planning and staffing

- Facilitates the attainment of individual employees' goals and those of the Bank through talent development, career and succession management, and performance management

❖ **BSP Institute**

- Acts as the training arm of the BSP
- Designs and administers various executive development/values enhancement courses, seminars or workshops for personnel of the BSP as well as personnel of certain segments of the financial system on a continuing basis

❖ **Health Services Office**

- Provides medical and dental services to the employees, and, if necessary, refers them to external professionals for consultations and medical and dental attention

❖ **Knowledge Management Group**

- Serves as the champion for a knowledge-based culture and knowledge management (KM) initiatives in the Bank
- Implements the BSP KM Strategic Plan, KM policies and guidelines
- Manages the BSP KM Portal

❖ **People Information Management and Analytics Group**

- Manages flow of information in the information system throughout its life cycle which includes the maintenance of an integrated Human Resource Information System that shall be used for automated Human Resource (HR) transactions and shall be the single source of all HR-related employee data
- Formalizes and guides behavior over the definition, production, and use of information and information-related assets
- Transforms data to support data-driven decision making

COMPTROLLERSHIP SUB-SECTOR

❖ **Financial Accounting Department**

- Responsible for the accounting, bookkeeping, budget administration, and disbursement activities of the Bank

❖ **Budget Planning and Special Studies Group**

- Serves as technical staff of the BSP Budget Committee in the formulation of budget guidelines, preparation of budget forms, and dissemination of information
- Reviews and analyzes budgetary estimates of income and expenses submitted by the sector heads

INFORMATION TECHNOLOGY SUB-SECTOR

❖ IT Systems Management Department

- Evaluates the requirements of various business units, defines application architecture, develops programs and systems to meet business needs that are aligned with the overall Corporate Business Strategy of the Bank

❖ IT Infrastructure and Operations Department

- Maintains the operational integrity of the technologies and services provided, and keeps hardware and software functioning

❖ Policy, Planning, and Strategy Group

- Evaluates and formulates the organization's IT policies, standards, and procedures; and the processes for their development, approval, implementation, and maintenance to ensure that they support the IT strategy and comply with regulatory and legal requirements

❖ IT Security Group

- Responsible for defining, communicating and enforcing technology-related security policies, standards, and procedures; and for mitigating risk/s related to internal and external data breaches and cyber attacks

❖ IT Project Management Group

- Manages all IT related projects ensuring that these projects are properly developed and implemented successfully

❖ IT Acquisitions Division

- Manages the purchasing of technology-related assets and analyzes the point at which hardware/software should be replaced, based on total cost of ownership and capabilities/features



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