

2015

Philippine Postal Corporation Annual Report



In response to the National Budget Circular Nos. 507 and 507-A dated January 31, 2007 and June 12, 2007, and pursuant to Republic Act 10352 otherwise known as the General Appropriations Act of 2013, the Philippine Postal Corporation prepares the 2014 Annual Report containing Corporate operations and financial performance, and marketing, administrative and management support service activities. This Report shall be published and accessible to public through the official website under the Transparency Seal menu. PHLPost Annual Report contains data provided by the offices of Assistant Postmaster Generals, Area Directors, and other offices providing Management Support Services - consolidated by the Planning, Research and Business Development Division of the Corporate Planning Department.

Philippine Postal Corporation

2015 Annual Report

Table of Contents

I.	Statement of Corporate Intent	3
II.	Board of Directors and Management Committee	4
III.	Corporate Profile	5
IV.	Mail Volume Delivery Services Performance	7
V.	Stamp Issuances	10
VI.	Payment Services	17
VII.	Logistics Services	17
VIII.	Financial Performance (Preliminary as of December 2015)	18
IX.	Administrative Performance	20
X.	Highlights for Postal Area Operations	21
XI.	Other Highlights	24
XII.	Products and Services	24
XIII.	Directory	29

I. Statement of Corporate Intent

The Philippine Postal Corporation now works not only in fulfillment of its mandate according to the Republic Act 7354 or the Postal Service Act of 1992; PHLPost now works towards the realization of its vision and accomplishment of its mission.

A. Vision Statement

By 2020, PHLPost is the preferred universal delivery service provider of communications, goods, and payment in every Filipino community

B. Mission Statement

The Philippine Postal Corporation (PHLPost) provides efficient, competitive and on-time delivery of communications, goods, and payment services in any Filipino community.

C. Mandate

Plan, develop, promote, and operate a nationwide postal system with a network that extends or makes available, at least ordinary mail service, to any settlements in the country;

Provide for the collection, handling, transportation, delivery, forwarding, returning and holding of mails, parcels and like materials, throughout the Philippines and, pursuant to agreements entered into, to and from foreign countries; and

Determine and dispose of, in a manner it deems most advantageous, with law and settled jurisprudence, confiscated or non-mailable mail matters, prohibited articles, dead letters and undelivered mails, except the sale of prohibited drugs, dangerous materials, and other banned articles as defined by law.

D. Policy Imperatives

1. Timely and Efficient Delivery Services
2. Integrity of the postal network
3. Financial Sustainability, thus contributing to national treasury
4. Customer Centricity

E. Core Values

PHLPost's work ethics is founded by:

Integrity. Demonstrated through adherence to honesty in work for a decent life;

Loyalty. Shown in the faithfulness to the company kindled by love for work;

Competence. That encourages confidence in the capability to be productive through teamwork and guided by wisdom; and

Commitment. Driven by passion to do good for family and country for a life well-lived.

II. Board of Directors and Management Committee

A. Board of Directors

Hon. Cesar N. Sarino

Chairman

Hon. Joel L. Otarra

Vice Chairman

Hon. Ronaldo S. Tuazon

Member

Hon. Mama S. Lalanto, al Haj

Member

Hon. Renato R. Santico

Member

Atty, Florante C. Cruz

Corporate Secretary

B. Executive Management Committee

Hon. Joel L. Otarra, Postmaster General and CEO

Mr. Luis D. Carlos, APMG for Marketing and Management Support Services

Mr. Robert S. Mondoñedo, APMG for Operations

Ms. Maura M. Baghari-Regis, APMG for Administration and Finance

C. Area Management Committee

Mr. Bernardito V. Gonzales, Area Director, Northeast Luzon

Mr. Federico D. Frayna, Area Director, Northwest Luzon

Mr. Oscar V. Lazo, Area Director, Mega Manila

Engr. Joel L. Zamudio, Area Director, Southern Luzon

Mr. Cirio O. Espos, Area Director, Central & Eastern Visayas

Ms. Fabiolita P. Ferraris, Area Director, Western Visayas

Mr. Carlo Reynaldo S. Argana, Area Director, Eastern Mindanao

Mr. Archie V. Gonzales, Area Director, Central Mindanao

Ms. Nimia S. Acebes, Area Director, Western Mindanao

D. Management Committee

Board of Directors

Mr. Francis T. Cereno, Manager - Internal Audit Department

Office of the Postmaster General

Mr. Gilbert B. Javier,

Head Executive Assistant/Chief of Staff

Risk Management Officer

Mr. Peter S. Bartolome, Manager – Management Information System Department

Atty. Joselito B. Gonzales, Manager - Legal Department

Ms. Melody O. Madrigal, Manager - Human Resource Management Department

Ms. Maria Lourdes L. Rifareal, Manager - Corporate Planning Department

Atty. Lee P. Vical, Manager - Inspectorate Department

Office of the Assistant Postmaster General for Marketing and Management Support Services

The Manager, Manager - Business Lines Department

The Chief, Corporate Communication Division

Office of the Assistant Postmaster General for Operations

Engr. Augusto A. Lecciones, Manager - Network and Transport Department

Ms. Ma. Aster M. Nodalo, Manager - Surface Mail Exchange Department

Ms. Olivia M. Valderama, Manager - Service Regulations Department

The Manager, Airmail Exchange Department

The Manager, Express Mail Exchange Department

Office of the Assistant Postmaster General for Administration and Finance

Ms. Marietta B. Bertillo, Manager - Accounting Department

Ms. Lorna M. Guevarra, Manager - Fiscal Management Department

Engr. Eliezer V. Rosales, Manager - General Services Department

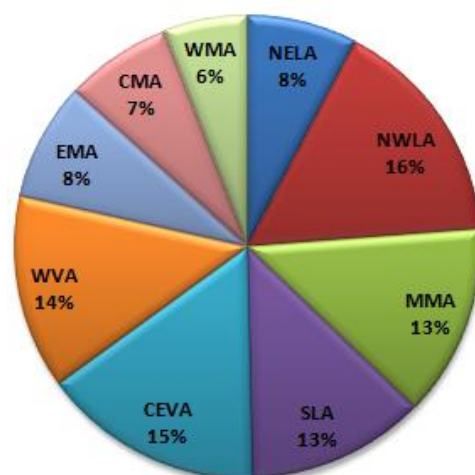
Engr. Irene G. Villamor, Manager - Logistics and Property Management Dept.

III. Corporate Profile

A. Postal Network

PHLPost has the capability to reach not only every street in metropolitan areas but also the most distant and remote areas in the country with its 1,303 post offices including postal stations, regular, extension, mall, barangay and school based post offices.

Postal Network by Area, Total = 1,303



Postal Network as of end of December 2015

Area	Classification								Total
	Regular Post Office		Extension PO	Campus PO	Mall Based PO	Postal Station/ Satellite	Brgy. PO	Municipal Hall Based/ Missionary	
	Del	Non- del	Del						
1. NELA	70	1	26	3	0	0	0	0	100
2. NWLA	153	4	37	10	6	0	0	0	210
3. MMA	80	41	35	5	11	0	3		175
4. SLA	137	1	23	1					162
5. CEVA	110	6	71	6	7				200
6. WVA	88	2	32	4	3	6	0	41	176
7. EMA	72	0	27	2	7				108
8. CMA	69	3	16	5	3	0			96
9. WMA	39	3	31	3	0				76
Total	779	58	267	36	37	6	3	41	1,303

B. Postal Vehicles

As of December 2015, PHLPost has a total of 736 vehicles composed of motorcycles, small vans, and trucks.

C. Human Resources

About 79 percent of the total 7,043 plantilla positions were already filled by the end of 2015. These employees with permanent positions are complemented by the additional 2,577 contract of service employees.

Office/Area	Plantilla	Filled	%	COS	Total
Central Office	802	646	80.5%	436	1082
1. NELA	329	250	76.0%	156	406
2. Northwest Luzon	881	711	80.7%	258	969
3. MEGA Manila	2,009	1824	90.8%	560	2384
4. Southern Luzon	760	546	71.8%	280	826
5. CEVA	716	418	58.4%	304	722
6. Western Visayas	473	355	75.1%	132	487
7. Eastern Mindanao	430	337	78.4%	221	558
8. Central Mindanao	336	238	70.8%	146	384
9. Western Mindanao	307	247	80.4%	84	331
TOTAL	7,043	5,572	79.1%	2,577	8,149

D. Connectivity

PHLPost has connected about 407 Post Offices as of December 2015.

Area	Connected POs
NELA	17
NWLA	85
MMA	57
SLA	65
CEVA	46
WVA	36
EMA	42
CMA	30
WMA	29
Total	407

IV. Mail Volume Delivery Services Performance

Mail volume posted decreased from 2014 to 2015 at 12.2 percent while the mail volume delivered increased at 13.9 percent during the same period.

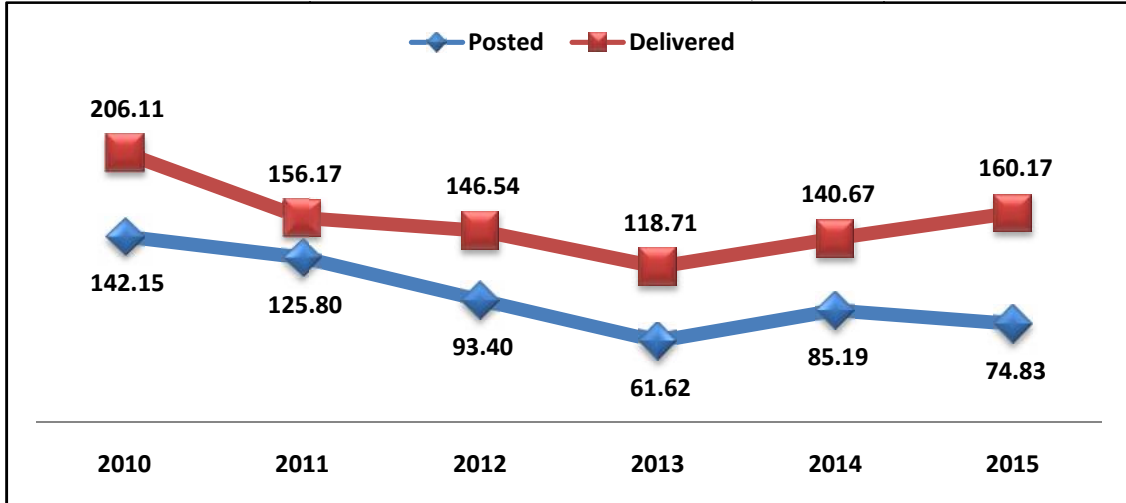
A. Mail Volume Posted and Delivered

A total of 74.83 million items were posted in 2015, majority (65.2%) of which are from Mega Manila Area followed by Southern Luzon Area (7.85%) and Northwest Luzon Area (6.65%). Domestic letter post still has the most share (80%) of the total mail volume posted while the remaining 20 percent are distributed among other mail services.

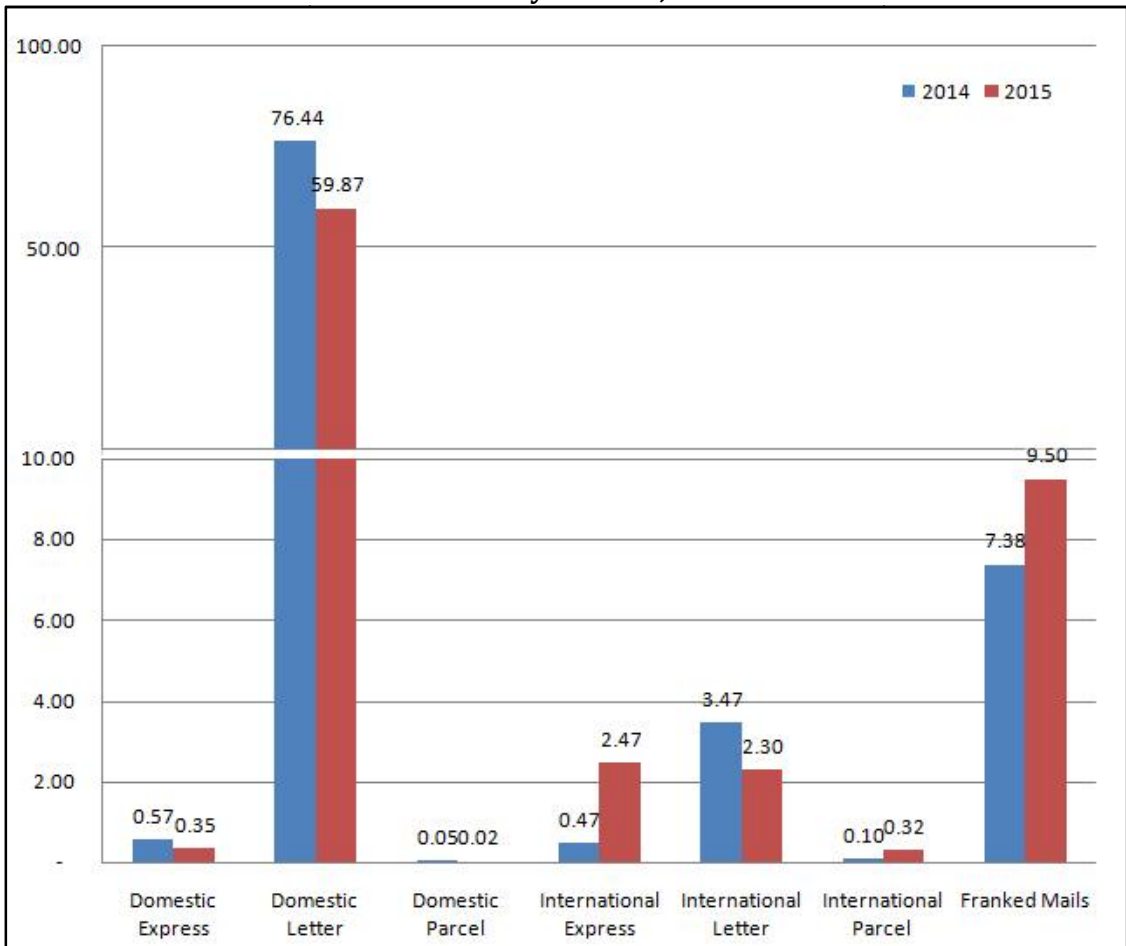
Meanwhile, the increase in the volume of delivered mails may be attributed to the increase of domestic ordinary letter that increased its volume by more than 20 million pieces from 2014 to 2015. Almost half (46 %) of the total 160.17 million mail items are delivered to Mega Manila Area followed by Southern Luzon Area (13.9%) and Central and Eastern Visayas Area (9.6%),

Most (90%) of the total 160.17 million mail items in the country are domestic letter while the remaining 10 percent are distributed among other mail services.

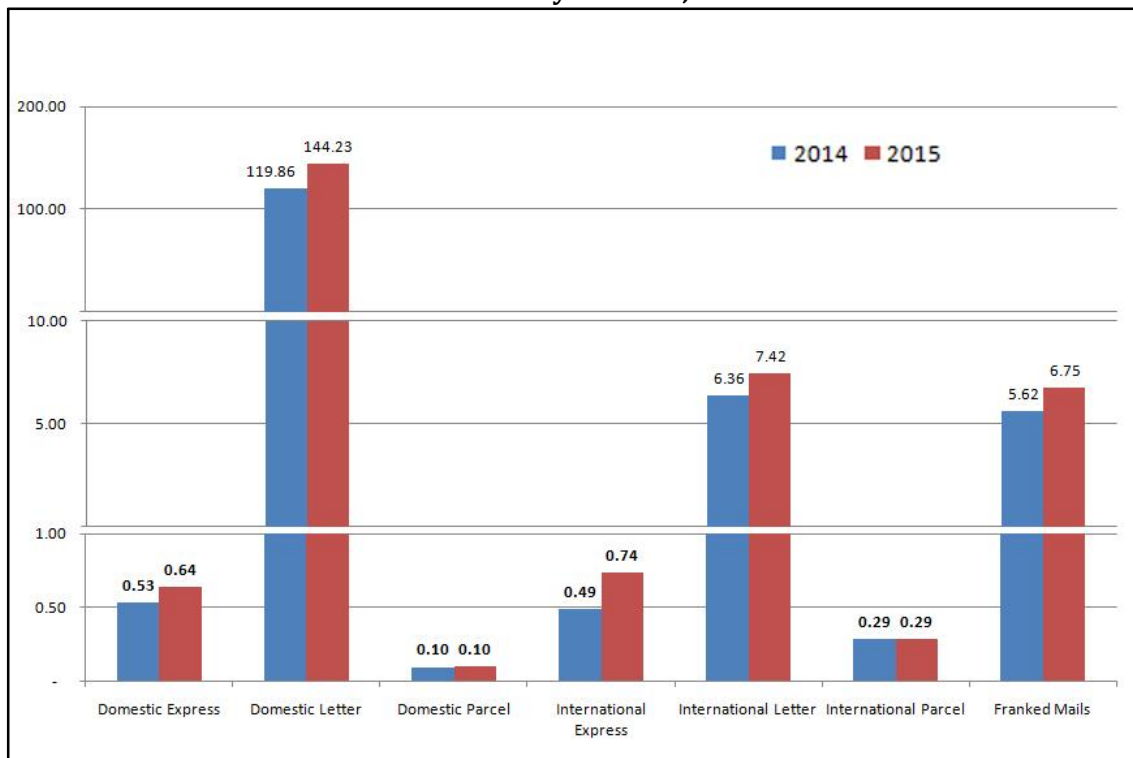
Historical Mail Volume Posted and Delivered, In Million Pieces



Mail Volume Posted by Product, In Million Pieces



Mail Volume Delivered by Product, In Million Pieces




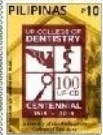






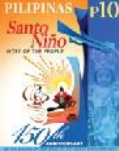
B. Mail Delivery Service Performance

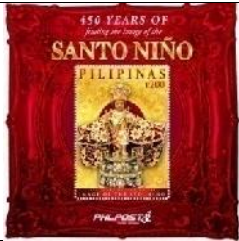







Mail delivery performance needs improvement because of the inability of most of the postal areas to meet the standard delivery time for both ordinary mails and registered mails.

Mail Type	Standard	Performance
I. Ordinary Mails		
International Express post delivery performance, Metro Manila	1 day after Customs @ 95%	0.84 days after Customs @ 100%
International Express post delivery performance, Outside Metro Manila	3 days After Customs @ 95%	1.66 days after Customs @ 99.41%
Domestic Express post delivery performance, Metro to Metro Manila	1.5 days after posting @ 90%	2.28 days after posting @ 98.50%
Domestic Express post delivery performance, Outside Metro Manila	3 days after posting @ 90%	3 days @ 85%
International Parcel	7 days after Customs @ 85%	3.44 days after Customs @ 99%
Domestic Parcel	7 days after posting @ 85%	5.83 days after posting @ 82.25%
International Letter post	7 days after Customs @ 85%	3.74 days after Customs @ 97.75%
Domestic Letter post	7 days after posting @ 85%	81.67%

V. Stamp Issuances



Series	Stamp	Details
1		Severino Montano Birth Centenary National Artist for Theater Commemorative Stamp Issued on Jan. 3, 2015; Proposed by NCCA
2		Pope Francis' Visit to the Philippines Special Stamp issued on Jan. 8, 2015; Proposed by PHLPPost
		Pope Francis' Visit to the Philippines Special Souvenir Sheet issued on Jan. 12, 2015; Proposed by PHLPPost
3		2015 Valentines Day Stamp Special Stamp issued on Jan. 14, 2015; Proposed by PHLPPost
4		Philippines-Israel 2015 Joint Commemorative Issue Commemorative Stamp Issued on Jan. 27, 2015; Proposed by PHLPPost
5		P10 Pineapple, P40 Avocado Definitive Stamp issued on Feb. 4, 2015; Proposed by PHLPPost
6		P5 Papaya, P20 Santol, P25 Custard Apple Definitive Stamp issued on Feb. 6, 2015; Proposed by PHLPPost
7		P3 Mango, P13 Lanzones, P30 Soursop Definitive Stamp issued on Feb. 10, 2015; Proposed by PHLPPost
		YEAR OF THE GOAT Special Souvenir Sheet issued on Feb. 19, 2015; Proposed by PHLPPost
8		P1.00 Banana, P100 Cashew Fruit Definitive Stamp issued on March 12, 2015; Proposed by PHLPPost
9		Municipality of Laua-an Centennial Commemorative Stamp issued on Jan. 31, 2015; Proposed by LGU- Laua-an, Antique
10		Lamberto V. Avellana: National Artist for Theater & Film Commemorative Stamp issued on Feb. 12, 2015; Proposed by NCCA

Series	Stamp	Details
11		PHILHEALTH 25 Years Commemorative Stamp issued on Feb. 14, 2015; Proposed by PHILHEALTH
12		UP College of Dentistry Centennial Commemorative Stamp issued on Feb. 6, 2015; Proposed by UPCDAA
13		Salud S. Tesoro Birth Centenary Commemorative Stamp issued on Feb. 6, 2015; Proposed by Tesoro Family
14		University of Saint Louis 50th Anniversary Commemorative Stamp issued on Feb.11, 2015; Proposed by University of Saint Louis, Tuguegarao, Cagayan
15		Liceo de Cagayan 60 Years Commemorative Stamp issued on Feb. 24, 2015; Proposed by Liceo de Cagayan University
16		Visit The Philippines 2015 Special Stamp issued on March 25, 2015; Proposed by Tourism Board of the Philippines
17		1st Qtr. Topical feat. Tutubi and Tutubi Souvenir Sheet Special Stamp issued on March 27, 2015; Proposed by PHLPost
18		PHILIPPINE CHILDREN'S MEDICAL CENTER Commemorative Stamp issued on April 20, 2015; Proposed by PCMC
19		450th ANNIVERSARY OF THE FINDING OF THE IMAGE OF THE SANTO NINO Commemorative Stamp issued on APRIL 20, 2015; Proposed by SANTO NINO KAPLAG



Series	Stamp	Details
		SANTO NIÑO (SOUVENIR SHEET)
20		PHILIPPINE ECONOMIC ZONE AUTHORITY Commemorative Stamp issued on APRIL 20, 2015; Proposed by PEZA
		PEZA (SOUVENIR SHEET)
21		EMMANUEL "MANNY" PACQUIAO Special Stamp issued on APRIL 20, 2015; Proposed by PHLPost
		EMMANUEL "MANNY" PACQUIAO Souvenir Folder
		PHILIPPINE MYTHICAL CREATURES Special Stamp issued on April 25, 2015
		CITY OF SAN PABLO 75th ANNIVERSARY OF CITYHOOD Commemorative Stamp issued on May 7, 2015; Proposed by LGU-CITY OF SAN PABLO
24		NATIONAL HERITAGE MONTH feat: HYBRID GUMAMELA Special Stamp issued on May 12, 2015; Proposed by FILIPINO HERITAGE, INC.

Series	Stamp	Details
		HYBRID GUMAMELA (SOUVENIR SHEET)
25		ROMBLON STATE UNIVERSITY 100 YEARS Commemorative Stamp issued on May 22, 2015; Proposed by RSU, ODIONGAN ROMBLON
27		150 YEARS OF ARCHDIOCESE OF JARO Commemorative Stamp issued on May 27, 2015; Proposed by ARCHDIOCESE OF JARO, ILOILO CITY
28		PHILIPPINES - FINLAND 60th ANNIVERSARY OF BILATERAL RELATIONS Commemorative Stamp issued on June 3, 2015; Proposed by PHLPost
26		ATENEO DE NAGA UNIVERSITY @ 75 Commemorative Stamp issued on June 5, 2015; Proposed by ATENEO DE NAGA UNIVERSITY
29		PHILIPPINES - CHINA @40 Commemorative Stamp issued on June 9, 2015; Proposed by FCGCC
30		2nd QUARTER TOPICALS feat: SARANGGOLA Special Stamp issued on June 23, 2015; Proposed by PHLPost
		SARANGGOLA (SOUVENIR SHEET)

Series	Stamp	Details
31		CITY OF SAN CARLOS 55th Anniversary of Charter Commemorative Stamp issued on July 1, 2015; Proposed by LGU-CITY OF SAN CARLOS
32		CORY AQUINO Scented Stamp series II Special Stamps issued on July 28, 2015; Proposed by PHLPost
		CORY AQUINO Scented Stamp series II (SCENTED SOUVENIR SHEET)
34		ASEAN COMMUNITY 2015 Special Stamp issued on August 8, 2015; Proposed by PHLPost
35		MAMA SITA STAMPS Special/ Commemorative Stamp issued on August 24, 2015; Proposed by Mama Sita
33		BUREAU OF IMMIGRATION 70th Anniversary Commemorative Stamp issued on September 4, 2015; Proposed by Bureau of Immigration
37		National Teachers Month feat: Pres. Elpidio Quirino 125th Birth Anniversary Commemorative Stamp issued on September 5, 2015; Proposed by PHLPost
36		NVM GONZALES National Artist for Literature Commemorative Stamp issued on September 8, 2015; Proposed by NCCA
38		BANDERA 25th Anniversary Commemorative Stamp issued on September 10, 2015; Proposed by Inquirer Publication, Inc.
39		MANILA OBSERVATORY 150 Commemorative Stamp issued on September 25, 2015; Proposed by MANILA OBSERVATORY
41		PHILIPPINE JELLY FISHES (SHEETLET OF 7) Un-issued Topical

Series	Stamp	Details
42		GEN. MIGUEL MALVAR 150 Years Commemorative Stamp issued on September 27, 2015; Proposed by LGU-STO. TOMAS, BATANGAS
43		SAN MIGUEL BREWERY 125 Years Commemorative Stamp issued on September 29, 2015; Proposed by SAN MIGUEL BREWERY INC.
		SAN MIGUEL BREWERY 125 Years (Souvenir Sheet)
		WESTERN UNION 25 Years Commemorative Stamp issued on September 30, 2015; Proposed by Western Union
40		MANUEL CONDE National Artist for Cinema Commemorative Stamp issued on October 15, 2015; Proposed by NCCA
46		2015 National Stamp Collecting Month (November) Special Stamp issued on November 10, 2015; Proposed by PHLPPost
47		4th Quarter Topical Issue feat: PHILIPPINE WILDLIFE Special Stamp issued on November 10, 2015; Proposed by PHLPPost
45		ASIA-PACIFIC ECONOMIC COOPERATION SUMMIT 2015 Special Stamp issued on November 11, 2015; Proposed by PHLPPost
48		2015 PASKO STAMPS Special Stamp issued on November 25, 2015; Proposed by PHLPPost
		2015 PASKO STAMPS (souvenir sheet)
49		2016 NEW YEAR STAMPS feat: Year of the Monkey Special Stamp issued on December 1, 2015;

Series	Stamp	Details
		Proposed by PHLPost
		2016 NEW YEAR STAMPS feat: Year of the Monkey (souvenir sheet)
50		Commission on Election 75th Anniversary Commemorative Stamp issued on December 18, 2015; Proposed by COMELEC
51		P5 Aratiles, P10 Rose Apple, P20 Strawberry Definitive Stamp issued on November 10, 2015; Proposed by PHLPost
52		OFFICE OF THE GOVERNMENT CORPORATE COUNSEL Commemorative Stamp issued on September 25, 2015; Proposed by OGCC
53		P30 Ramboutanier, P40 Jocote Definitive Stamp issued on November 11, 2015; Proposed by PHLPost
54		P1 Black Plum, P100 Johey Oak Definitive Stamp issued on November 15, 2015; Proposed by PHLPost
55		P12 Aratiles, P13 Rose Apple, P15 Strawberry, P35 Sweet Tamarind Definitive Stamp issued on November 25, 2015; Proposed by PHLPost
56		INTERNATIONAL EUCHARISTIC CONGRESS Commemorative Stamp issued on December 8, 2015; Proposed by International Eucharistic Congress
		INTERNATIONAL EUCHARISTIC CONGRESS (SOUVENIR SHEET)
57		PHILIPPINE DAILY ENQUIRER 30 YEARS Commemorative Stamp issued on December 5, 2015; Proposed by Philippine Daily Inquirer
58		PACITA MADRIGAL GONZALEZ BIRTH CENTENARY Commemorative Stamp issued on December 22, 2015; Proposed by Pacita Madrigal Gonzalez

Series	Stamp	Details
59		LIBERTY COMMERCIAL CENTER 70th ANNIVERSARY Commemorative Stamp issued on December 21, 2015; Proposed by LCC
60		CAGAYAN ECONOMIC ZONE AUTHORITY 20th ANNIVERSARY Commemorative Stamp issued on December 18, 2015; Proposed by CEZA

VI. Payment Services

A. Postal ID

PHLPost was able to issue about 747,522 postal ID in 2015, 34.2 percent of which are paper-based and the majority (65.8%) is the new biographic/biometric PID. A total of PhP243 million pesos gross revenue was collected from Postal ID alone.

B. Postal Money Order

Both paper-based and electronic Postal Money Order (PMO) services are still offered by the Corporation. In 2015, about PhP17.87 million gross revenue come from these services. From this amount, almost all are contributed by paper-based PMO services because of the limitation of the Electronic PMO in terms its availability across the country. By the end of 2015, only ten percent of the total post offices nationwide offer the Electronic PMO services.

C. Other Payment Services

PHLPost's partnership with Bayad Center, a local one-stop payment service provider, contributes about 1.4 percent of the total Payment Service revenue in 2015. Other payment services include payout services which major clients are other government agencies including the Philippine Health Insurance Corporation, Philippine Deposit Insurance Corporation, and the Department of Social Welfare and Development for their Conditional Cash Transfer Program. All of these services contribute to the total of PhP308.33 million gross revenue from payment services in 2015.

VII. Logistics Services

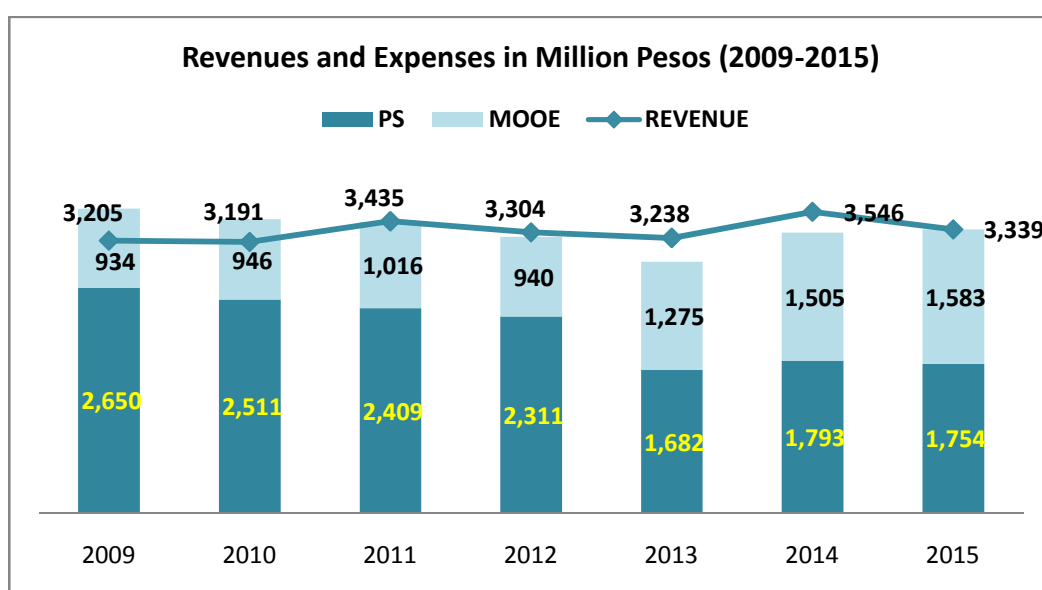
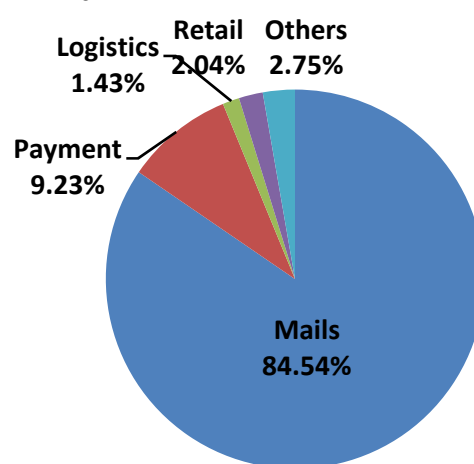
The PHLPost Logistics and Warehousing Service is a continuing program aiming to develop various warehouses across postal areas. The construction of the temperature controlled warehouse at FSMDC, Port Area, Manila started in 2014 and was finished and opened for operations on April 2015. The Department of Health is the primary client who will utilize the 845-square meters of PHLPost's Surface Mail Exchange to store medical supplies and medicines which are intended for distribution to rural health centers in the provinces. A total of PhP47.8 million were collected in 2015 from logistics and warehousing service, about the same amount compared to the 2014 figures.

VIII. Financial Performance (Preliminary as of December 2015)

A. 5-Year Revenue-Expenditures Analysis

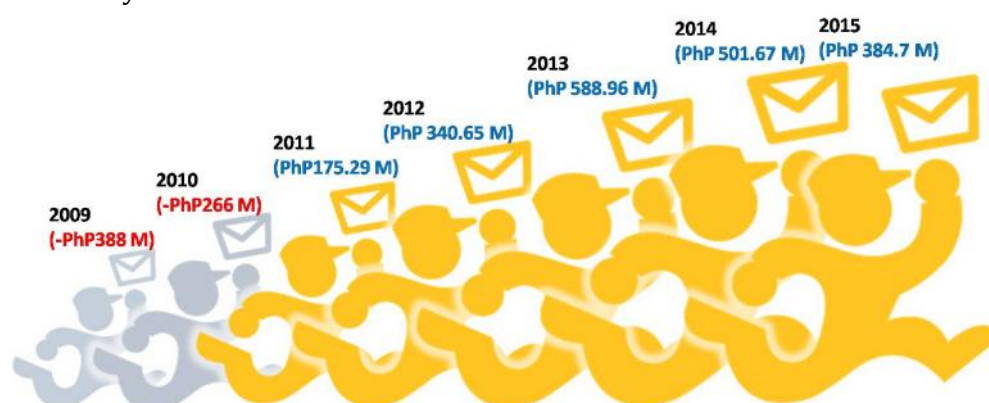
The Philippine Postal Corporation has earned a total of PhP 3,339,231,350 gross revenue from its operations in 2015, most (84.5%) of which from the mail services while the rest are from retail, postal payment, logistics, and other services. With a total of PhP3,337,536,051 expenditure, PHLPost has earned a total of PhP1,695,299 plus PhP382,993,243 net reimbursement of franking privilege and income from non-shareholders or a total of PhP384,688,543 income for 2015, which is unfortunately 23 percent lower than the 2014 figures.

2015
Net Income = PhP384.69 M from
Net Reimbursement = PhP382.99 M and
Profit before Reimbursement
= PhP1.70 M:



B. Historical Net Income

PHLPost net income continues to increase since 2011, making the Corporation financially sustainable.



C. Comparative Statement of Comprehensive Income

Particulars	2015	2014	CHANGE
REVENUE			
Mail services	2,823,107,155	2,831,268,996	(8,161,841)
Postal payment services	308,330,998	529,250,604	(220,919,607)
Logistics Services	47,804,628	48,808,969	(1,004,341)
Retail Services	68,058,190	41,150,953	26,907,237
Other Income	80,268,518	80,897,621	(629,103)
	3,327,569,488	3,531,377,143	(203,807,655)
OPERATING EXPENSES			
Cost of Goods Sold	7,977,765	11,155,444	(3,177,679)
Personal services	1,754,426,169	1,792,964,079	(38,537,910)
Maintenance and other operating services	868,331,351	732,217,382	136,113,969
International mail exchange expenses	540,083,138	514,427,774	25,655,364
	3,170,818,423	3,050,764,679	120,053,744
INCOME FROM OPERATIONS	156,751,065	480,612,464	(323,861,399)
OTHER INCOME/(EXPENSES)			
Gain/Loss On Foreign Exchange (Forex)	3,841,202	7,657,960	(3,816,758)
Gain/Loss On Sale Or Disposal Of Assets	1,354,368	1,276,294	78,074
Interest Income	5,472,802	5,324,894	147,909
Miscellaneous income	993,489	257,973	735,516
Depreciation	(72,870,158)	(54,785,701)	(18,084,456)
Valuation allowances	(13,628,262)	(16,000,706)	2,372,444
Other expenses	(36,910,512)	(18,502,137)	(18,408,375)
	(111,747,070)	(74,771,423)	(36,975,647)
FINANCE COST			
Interest expense	(42,031,352)	(51,193,905)	9,162,553
Bank Charges	(550,787)	(662,108)	111,321
	(42,582,139)	(51,856,013)	9,273,874
PROFIT BEFORE INCOME TAX	2,421,856	353,985,028	(351,563,172)
Provision for income tax	726,557	106,195,508	(105,468,952)
PROFIT BEFORE SUBSIDY	1,695,299	247,789,520	(246,094,220)
Subsidy Income from National Govt	301,000,000	623,953,988	(322,953,988)
Subsidy Income From Non-Shareholders'	81,993,243	-	81,993,243
Subsidy Expense	-	(370,071,155)	370,071,155
	382,993,243	253,882,833	47,117,167
NET INCOME / (LOSS)	384,688,543	501,672,353	(198,977,054)

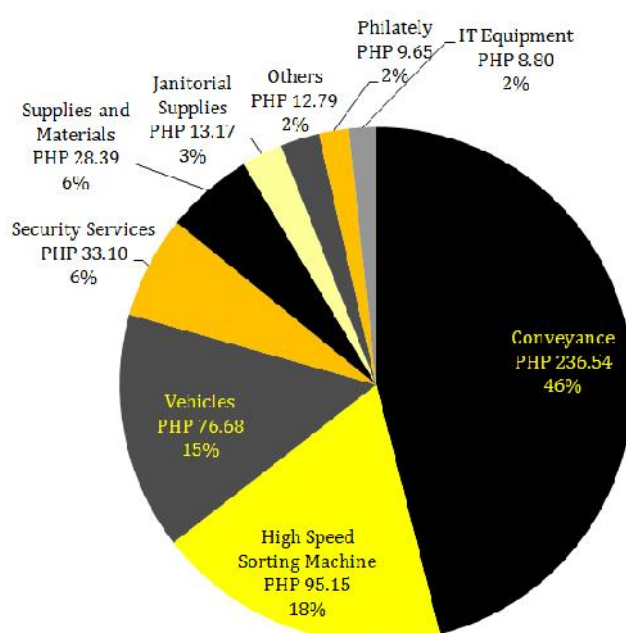
D. Comparative Statement of Financial Position

Particulars	2015	2014	CHANGE
ASSETS			
Current Assets			
Cash and cash equivalents	2,346,537,703	1,723,579,649	622,958,054
Trade and other receivables, net	2,031,500,262	3,027,486,776	(995,986,514)
Inventories	999,908,997	959,305,249	40,603,748
Prepaid expenses and Other current assets	51,367,301	37,171,926	14,195,375
Deferred charges	27,155,816	17,171,160	9,984,656
Total Current Assets	5,456,470,079	5,764,714,761	(308,244,682)
Noncurrent Assets			
Investments	476,302,147	476,302,147	-
Property and equipment	4,208,650,004	4,282,196,000	(73,545,996)
Other noncurrent assets	1,047,473,265	110,047,161	937,426,104
Total Noncurrent Assets	5,732,425,416	4,868,545,308	863,880,107
TOTAL ASSETS	11,188,895,494	10,633,260,069	555,635,425
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	4,373,635,201	4,688,268,054	(314,632,853)
Deferred credits	297,069,046	38,349,794	258,719,252
Other current liabilities	1,070,934,054	757,958,365	312,975,689
Total Current Liabilities	5,741,638,301	5,484,576,213	257,062,088
Noncurrent Liabilities			
Loans payable - Domestic	75,251,679	98,159,664	(22,907,985)
Other Longterm Liabilities	415,048,652	533,848,919	(118,800,267)
Total Noncurrent Liabilities	490,300,331	632,008,583	(141,708,252)
TOTAL LIABILITIES	6,231,938,632	6,116,584,796	115,353,835
EQUITY	4,956,956,863	4,516,675,273	440,281,590
TOTAL LIABILITIES AND EQUITY	11,188,895,494	10,633,260,069	555,635,425

IX. Administrative Performance

A. Savings on Procurement

The Bids and Awards Committee completed 32 procurement projects in 2015 through public bidding and direct contracting. The total contract price amounts to PhP514.26, which is just 92.9 percent of the total approved budding cost, giving the Corporation a total savings of PhP39.38 million.



B. Income from Administrative Activities

PHLPost also earns from renting out properties and disposing of its unserviceable assts. In 2015, a total of PhP26,630,535 were collected from these activities, 5.6 percent more than the revenue from the same activities in 2014.

Administrative Activities	2014 Revenue	2015 Revenue
Rent Income	23,940,838	25,276,167
Gain from Disposal of Assets	1,276,294.25	1,354,368
Total	25,217,132.25	26,630,535

X. Highlights for Postal Area Operations

A. Northeast Luzon Area

- Covers 9 provinces – Apayao, Aurora, Cagayan, Ifugao, Isabela, Kalinga, Nueva Ecija, Nueva Vizcaya, Quirino with total population of 5,874,492 as of Census 2010;
- Covers about 47,181 sq.km. of land area with 180 delivery beats and 176 letter carriers;
- With 28 units of serviceable delivery vehicles;
- Posted a total of 1,822,929 mails, a big majority (77.2%) of which are domestic letter post;
- Delivered a total of 4,391,497 mails, most (85.4%) of which are domestic letter post;
- Majority (51%) of total revenue comes from mail services, followed by other services (28.0%) and retail services (20.0%).

B. Northwest Luzon Area

- Covers 11 provinces – Abra, Bataan, Benguet, Ilocos Norte, Ilocos Sur, La Union, Mountain Province, Pampanga, Pangasinan, Tarlac, and Zambales with total population of 10,916,610 as of Census 2010;
- Covers about 47,181 sq.km. of land area with 533 delivery beats and 533 letter carriers;
- With 67 units of serviceable delivery vehicles;
- Posted a total of 5,115,616 mails, a big majority (74.2%) of which are domestic letter post;
- Delivered a total of 12,102,449 mails, most (88.6%) of which are domestic letter post;
- A big majority (66.7%) of total revenue comes from mail services, followed by retail services (15.7%) and postal payment services (8.7%);
- Ranked 2nd among all areas in terms of the posted international express mails;
- Ranked 3rd among all areas in terms of posted domestic and international letter post and international parcel post;
- Ranked 1st among all areas in terms of delivered international express mails;
- Ranked 2nd among all areas in terms of posted international letter post.

C. Mega Manila Area

- Covers the National Capital Region and 5 other provinces – Batanes, Bulacan, Cavite, Palawan and Rizal with total population of 21,366,883 as of Census 2010;
- Covers about 23,432 sq.km. of land area with 1,181 delivery beats and 1,121 letter carriers;
- With 132 units of serviceable delivery vehicles;
- Posted a total of 34,520,809 mails, most (89.2%) of which are domestic letter post;
- Delivered a total of 43,422,714 mails, most (85.1%) of which are domestic letter post;
- Most (88.7%) of total revenue comes from mail services, followed by retail services (6.1%) and postal payment services (3.1%);
- Ranked 1st among all posted mail products except for express pouch, unaddressed mails, and international printed matters;
- Ranked 1st among all areas in terms of the delivered domestic letter and parcel post, and delivered international letter and parcel post.

D. Southern Luzon Area

- Covers 12 provinces – Albay, Batangas, Camarines Norte, Camarines Sur, Catanduanes, Laguna, Marinduque, Masbate, Mindoro, Quezon, Romblon and Sorsogon with total population of 14,205,014 as of Census 2010;
- Covers about 44,853 sq.km. of land area serviced with 480 delivery beats by 423 letter carriers;
- With 52 units of serviceable delivery vehicles;
- Posted a total of 6,217,358 mails, most (88.2%) of which are domestic letter post;
- Delivered a total of 18,300,983 mails, most (89.3%) of which are domestic letter post;
- A big majority (71.6%) of total revenue comes from mail services, followed by retail services (11.0%) and other services (10.2%);
- Ranked 2nd among all areas in terms of posted domestic letter and parcel post and posted international letter and parcel post;
- Ranked 1st among all areas in terms of delivered domestic express post;
- Ranked 2nd among all areas in terms of delivered domestic letter post.

E. Central and Eastern Visayas Area

- Covers 8 provinces – Biliran, Bohol, Cebu, Eastern Samar, Leyte, Northern Samar, Samar, Southern Leyte with total population of 9,523,770 as of Census 2010;
- Covers about 33,414 sq.km. of land area with 371 delivery beats and 371 letter carriers;
- With 47 units of serviceable delivery vehicles;
- Posted a total of 3,870,937 mails, most (83.5%) of which are domestic letter post;
- Delivered a total of 11,998,396 mails, almost all (90.8%) of which are domestic letter post;
- A big majority (70.8%) of total revenue comes from mail services, followed by postal payment services (15.4%) and other services (9.1%);
- Ranked 3rd among all areas in terms of posted international express mails and delivered domestic and international letter post.

F. Western Visayas Area

- Covers 8 provinces – Aklan, Antique, Capiz, Guimaras, Iloilo, Negros Occidental, Negros Oriental, Siquijor with total population of 8,480,170 as of Census 2010;
- Covers about 26,517 sq.km. of land area with 270 delivery beats and 270 letter carriers;
- With 40 units of serviceable delivery vehicles;
- Posted a total of 3,266,157 mails, a big majority (74.3%) of which are domestic letter post;
- Delivered a total of 9,121,016 mails, almost all (91.8%) of which are domestic letter post;
- Greatest amount (49.1%) of total revenue comes from mail services, followed by postal payment services (28.8%) and other services (13.0%); and
- Ranked 2nd among all areas in terms of posted domestic letter post;
- Ranked 3rd among all areas in terms of delivered domestic express mails.

G. Eastern Mindanao Area

- Covers 11 provinces –Compostela Valley, Davao del Norte, Davao del Sur, Davao Oriental, Maguindanao, Metro Davao, North Cotabato, Sarangani, South Cotabato, Sultan Kudarat, Surigao del Sur with total population of 10,084,071 as of Census 2010;
- Covers about 58,309 sq.km. of land area with 327 delivery beats and 269 letter carriers;
- With 40 units of serviceable delivery vehicles;
- Posted a total of 3,121,738 mails, most (82%) of which are domestic letter post;
- Delivered a total of 8,080,507 mails, most (85.4%) of which are domestic letter post;
- A big majority (61.3%) of total revenue comes from mail services, followed by postal payment services (13.9%) and retail services (12.9%);
- Ranked 2nd among all areas in terms of delivered international express mails.

H. Central Mindanao Area

- Covers 10 provinces – Agusan del Norte, Agusan del Sur, Bukidnon, Camiguin, Dinagat Province, Lanao del Norte, Lanao del Sur, Metro Cagayan de Oro, Misamis Oriental, Surigao del Norte with total population of 6,530,946 as of Census 2010;
- Covers about 48,481 sq.km. of land area with 159 delivery beats and 159 letter carriers;
- With 39 units of serviceable delivery vehicles;
- Posted a total of 2,256,175 mails, most (83.1%) of which are domestic letter post;
- Delivered a total of 5,066,479 mails, most (87.8%) of which are domestic letter post;
- A big majority (66.3%) of total revenue comes from mail services, followed by retail services (15.0%) and other services (10.5%).

I. Western Mindanao Area

- Covers 8 provinces – Basilan, Metro Zamboanga, Misamis Occidental, Sulu, Tawi-tawi, Zamboanga del Norte, Zamboanga del Sur, Zamboanga-Sibugay with total population of 5,353,157 as of Census 2010;
- Covers about 30,165 sq.km. of land area with 170 delivery beats and 175 letter carriers;
- With 29 units of serviceable delivery vehicles;
- Posted a total of 1,017,970 mails, most (82.1%) of which are domestic letter post;
- Delivered a total of 5,691,684 mails, most (87.9%) of which are domestic letter post;
- Greatest amount (49.3%) of total revenue comes from mail services, followed by retail services (18.1%) and logistics services (14.8%).

XI. Other Highlights

PHLPost has achieved global recognition after winning the Word Mail Awards 2014 for People Management held in Germany, and a finalist in Post Expo Technology Award 2014 in Sweden.

The development and deployment of the Domestic Mails and Tracking System has been implemented by the end of fourth quarter 2015 to Post Offices with internet connectivity.

The Memorandum of Agreement between PHLPost and BOC for the Handling, Examination, Assessment, Appraisal and Collection of Customs Duties, Taxes and Other Charges on Postal Items has been signed in 2015. The Implementing Rules and Regulations have also been drafted by the Committee and scheduled for approval in 2016.

XII. Products and Services

A. Mail Services

1. Express Post

- International Express Mail Service (IEMS)** is the fastest means of sending time-sensitive items to addresses abroad. Any articles such as documents, samples of merchandise and goods, not specifically prohibited by regulations, can be sent via IEMS. Currently, the Philippines has a bilateral agreement with 45 countries for the reciprocal exchange of EMS items.
- Domestic Express Mail Service (DEMS)** is the fastest means of sending urgent messages, business documents or goods to addresses within the Philippines. Generally, DEMS items are delivered the next day after the date of mailing provided that they are posted on or before the prescribed cut-off time. Currently, the service is available in all major cities and towns nationwide.
- Express Pouch** is a next day delivery guaranteed to time-sensitive and important documents. It is a guaranteed next-day door-to-door delivery to selected areas either by land or air.

2. **Letter Post** items include letters and post-cards weighing not more than 2 kilos which can be accepted in post offices and postal stations for delivery locally or any part of the world.
 - a. **Letters** are first class mails which are either ordinary, priority or registered
 - b. **Ordinary Mail** includes all unrecorded items which are charged the basic postage and delivered through the regular delivery channels. Mails are classified into first, second and third class.
 - c. **Priority Mail** is a next-day delivery of unrecorded mails in Metro Manila and selected cities and towns nationwide if posted on or before 3:00PM.
 - d. **Registered Mail** is accorded mail security with the entire process being recorded from acceptance to delivery to the addressee. As proof of delivery, the sender may attach a registry return receipt to be signed by the recipient. Indemnity is paid in case of loss or damage of registered mail.
 - e. **Literature for the Blind** are letter post items containing writings used by the blind, sound recordings and/or special paper intended solely for the use of the blind.
 - f. **M Bags** are defined as direct sacks of printed matters sent to a single addressee at a single address. There are three types of M-bags: Airmail M-bags, International Priority Airmail (IPA) M-bags, and International Surface Air Lift (ISAL) M-bags.
 - g. **Articles** that meet the definition of Printed Matters include newspapers, magazines, journals, books, sheet music, catalogs, directories, commercial advertising, promotional matter, and the likes.
 - h. **Small Packets** are specially provided for the transmission of goods (including trade samples), whether dutiable or not, in the same mail as Printed Papers, with a limit of two (2) kilograms and below.
3. **Parcel Post** is a convenient means of sending non-perishable foodstuff, handicrafts and other merchandise to addressees within the country and abroad. This service is available in all post offices nationwide. Parcel may be sent via air or surface means.
 - a. **Air Parcel Post** is the fastest means of sending parcels to foreign countries. This service is available only in countries with which the Philippines has bilateral agreements.
 - b. **Surface Parcel Post** is the cheapest means of sending parcels to foreign countries with which the Philippines has bilateral agreements. Surface parcels may be sent to countries where we have no bilateral agreements only through the intermediary of the United States of America.
 - c. **Insured Parcel Post** includes parcels with a maximum insured value of PhP 5,000.00 which may be accepted for delivery in selected foreign countries. At present, this service is available only to Switzerland and the United States of America and its possessions.
4. **Direct Mail** is offered by PHLPost under its Unaddressed Advertising Mail Service (UAMS) and allows the client to get optimum advertising mileage for its products and services at the least cost. Companies can send brochures, flyers, cards, catalogues including product samples to their customers in specific areas of their choice. Moreover, they can send announcements, public notices, important news items and research or survey questionnaires which will be delivered at the doorstep of their targeted customers.
5. **Collect-on-Delivery Service (COD)** is available for mailable materials or merchandise, including books, magazines, periodicals and other printed matters which may be sent

collect-on-delivery, where the amount due is paid by the addressee upon delivery of the articles.

6. **Fax Mail Service** is an electronic mail service which provides the fastest means of transmission and delivery of written messages or documents. This service is available in selected major post offices nationwide.
7. **Business Reply Envelopes/Cards (BRE/BRC)** maybe sent to parties within the country and returned by mail to the sender whose name appears on the card or envelope as the addressee upon prepayment of postage. Postage and other charges shall be paid by the addressee upon delivery. Persons or business firms desiring to avail of this service may file a written application with the Regional Office concerned. The application shall indicate the post office where the cards or envelopes are to be returned and a pledge that the postage and other charges, if any, shall be paid at the time of delivery.
8. **Address Check Service** offers to validate and provide business entities, especially those involved in direct marketing with the correct address of their customers within a locality, region or nationwide at a minimum cost.
9. **General Delivery Service** is available for transients who have no fixed address in locality. Transients can have their mails addressed c/o General Delivery Service followed by the name of the local post office.
10. **Proof of delivery (POD)** is locally offered to companies that require an assurance/proof that their mails reached their clients. Generally, POD slip is filled-out properly with the post office of entry, name of client/sender, actual date of dispatch, and delivery of the mail.
11. **International Reply Coupon** is sold to postal customers for use in prepaying reply postage from other countries. Those originating from foreign countries may be exchanged with postage stamps representing the highest charged fixed rate for an ordinary mail of the first step sent by air to a foreign country.

B. Logistics Services

The main Logistics / Warehousing hub of PHLPost for the bulk and break-bulk cargo delivery is located at the Foreign Surface Mail Distribution Center. Such item includes light equipment, appliances, and agricultural products among many others for delivery within limited areas initially and subsequently into the international arena where bilateral agreements have been finalized with other countries.

C. Postal Payment Services

1. **Postal ID Card** is an identity card designed by the Universal Postal Union and is the most widely accepted means of identification in postal transactions both locally and worldwide.

Generally, banks and other financial institutions honor the Postal ID as proof of identity in their transactions. Postal ID cards are valid for a period of three (3) years from date of issuance.

Postal ID has been migrated to PVC card with the following features:

- Encoded with biometrics information such as facial, fingerprints and signature

- Printed with security features such as guilloche, ghost image, microprint, UV ink and hologram
- Biometric enrollment with unique identity verification through Automated Fingerprint Identification System (AFIS)
- Card verification through 2D barcode/QR code
- Magnetic stripe for data storage and for future use as a Cash/ Debit/ Remittance and/or Loyalty/ Rewards card

2. Postal Money Order

- Postal Money Order (Paper-Based)** is a financial instrument issued by and payable at a post office as an alternative to sending cash thru the postal system. It is exchangeable for cash on demand and generally accepted as means of payment. All the designated domestic money order offices are also authorized to transact international money order business with Brunei Darussalam, Hong Kong, Indonesia, Japan, Korea, Kuwait, Malaysia, Qatar, Singapore, Thailand, UAE and USA. Exchange rates for international money orders are provided by the Central Office to post offices nationwide from time to time.
- e-Money Order Service (e-Post MO)/Remittance Service** is an electronic remittance system that will facilitate fund transfers through an instant payout process. Aside from its real time characteristic that allows faster transmission, this service is also accessible and does not require complicated identification processes. Recipients can go to any postal station to claim their remittance. This e-money service can interface with Universal Postal Union-member countries, EUROGIRO members, and duly licensed money remittance companies, local and foreign international banks. Thus, families of OFWs can also avail of this service.

3. Agency Services

- Through an agreement signed between PHLPost and the CIS Bayad Center Inc., post offices within Mega Manila and various provinces in the country shall now assume the function of collecting payments for institutional clients. This service makes it possible for selected PHLPost post offices to function as a **Bayad Center** outlet and collect payments for utilities such as electric, water, telephone bills as well as other services
- Aside from institutional clients mentioned above, PHLPOST also has an agreement with **PhilHealth** for the collection of monthly contribution from its members.

D. Retail Services

Philately or stamp collecting is considered the world's most fascinating hobby. Through philately, one can learn of a country's history, art, culture, nature and industry as depicted in special and commemorative stamps. Philatelic stamps come in different forms such as mint, cancelled, se-tenant, souvenir sheets and sheetlets. Other Philatelic products such as First-Day Covers, Stamp Albums and presentations packs are available at the Stamp and Philatelic Division of the Manila Central Post Office and in major post offices nationwide.

Postal Station is a PHLPost-authorized facility established and operated wholly or in part by a person, entity or local government unit for the purpose of performing postal business and sale of any other related products and services.

P.O. Box Rental refers to lock boxes that are installed in major post offices for rent to postal customers. These facilities provide special handling, security and utmost confidentiality of mails of individuals, business firms and government offices. They are available in three (3) different sizes such as small, medium and large.

XIII. Directory

Central Office Departments

Office of the Board of Directors

(02) 527-0152
(02) 527-0153
(02) 527-0157
(02) 528-1602
(02) 528-1603

Internal Audit Department

(02) 527-5870
(02) 527-0071

Office of the Postmaster

General and CEO
(02) 527-8327 to 30
(02) 527-8334

Legal Department

(02) 527-0051
(02) 527-0125
(02) 527-9608

Corporate Planning Department

(02) 527-9615
corplan@philpost.gov.ph

Human Resource Management Department

(02) 527-0104
(02) 527-1018
(02) 527-0061
(02) 527-0050
(02) 527-5871

Management Information System

(02) 527-9604

Office of the APMG for Administration and Finance

(02) 527-3663
(02) 527-0032
apmg.adfin@philpost.gov.ph

Accounting Department

(02) 527-9611

Fiscal Management Department

(02) 527-5868
fmd.apmgadfin@philpost.gov.ph

Logistics and Property Management Department

(02) 527-9606
General Services Department
(02) 527-0143

Office of the APMG for Marketing

(02) 527-0091

Business Lines Department

(02) 527-9605
(02) 524-8771

Corporate Communications Division

(02) 527-0074

Office of the APMG for Operations

(02) 527-9601

Service Regulations Department

(02) 527-0076

Network and Transport Department

(02) 854-1641

Express Mail Exchange Department

(02) 854-0086
(02) 854-0888

Airmail Exchange Department

(02) 854-4670
(02) 854-9825

Surface Mail Exchange Department

(02) 527-8705
(02) 525-7130

Postal Area Offices

Northeast Luzon Area
Office of the Area Director
(078) 844-1363

Northwest Luzon Area
Office of the Area Director
072) 700-3660

Mega Manila Area
Office of the Area Director
(02) 527-0144

Southern Luzon Area
Office of the Area Director
(02) 520-6009

Central and Eastern Visayas Area
Office of the Area Director
(032) 344-8242

Western Visayas Area
Office of the Area Director
(033) 509-8360

Eastern Mindanao Area
Office of the Area Director
(082) 224-2962

Central Mindanao Area
Office of the Area Director
(088) 856-6669

Western Mindanao Area
Office of the Area Director
(062) 991-0581