



NATIONAL ELECTRIFICATION ADMINISTRATION

"The 1st Performance Governance System-Institutionalized National Government Agency"



15 March 2024

MEMORANDUM

TO : ALL ELECTRIC COOPERATIVES

SUBJECT : SUBMISSION OF THE COPY OF EC BOARD RESOLUTION
ON EMPLOYEES RETIREMENT FUND

Pursuant to Republic Act No. 7641, also known as the Retirement Pay Law, companies are required to provide retirement benefits to their employees, thus, retirement planning is crucial for all Electric Cooperatives (ECs).

Consequently, under NEA Memorandum No. 2023-21 or the "2023 Policy/Guidelines on Annual EC Overall Performance Assessment," the availability of a retirement fund/plan is one of the Institutional-Governance parameters in the performance rating of a General Manager.

In view of this, all ECs with retirement fund allocation for regular employees are hereby directed to submit a copy of the EC Board Resolution issued for this purpose, including updates/status of retirement fund accounts/management and agreements related thereto, to the NEA Institutional Development Department (IDD) not later than 27 March 2024.

On the other hand, ECs without retirement plans, except those provided by law, including Republic Act No. 8282 (Social Security Act of 1997), amending Republic Act No. 1161 (Social Security Law of 1954), are likewise directed to submit to the IDD the status of their retirement funds on or before the said due date.

For strict compliance.

OMAR M. MAYO
Deputy Administrator
EC Management Services

