

PHILIPPINE PORTS AUTHORITY

Interim Performance Scorecard 2014

Performance Measures				Baseline Data <i>(if available)</i>			Targets
Description	Formula	Weight	Data Provider <i>if applicable</i>	2011	2012	2013	2014
MFO 1: PORT DEVELOPMENT							
Quantity 1	Increase in Berth Length (in meters)	Refer to PPA Port Planning Manual ¹	10%	43,716 (+672)	43,910 (+194)	44,495.8 (+585.8)	45,238.07 (+742.27)
Quantity 2	Increase in Back-Up Area (in sq. m.)		10%	1,613,310 (+154,940)	1,630,629 (+17,319)	1,657,347.87 (+26,718.87)	1,685,371.47 (+28,023.47)
Quantity 3	Increase in Passenger Capacity (in Number of Seats)		10%	21,804 (+1,166)	22,463 (+659)	25,607 (+3,144)	26,727 (+1,120)
Quantity 4	Number of major pre-construction technical & economic studies completed	Number of Feasibility Studies / Project Evaluation, Hydro/Topo Surveys, Soil Investigations and Program of Work completed	6%	N/A	N/A	40	16
Subtotal of Weights:			36%				
MFO 2: PORT SERVICES							
Quality 1	Percent of ports with complete compliance with requirements for certification to ISO-Quality Management System (QMS) on	(No. of Ports / 7 ports) x 100 where Total No. of Ports =7 representing the major ports of	8%	14% (Batangas)	43% (Cagayan de Oro, Davao)	71% (Zamboanga, General Santos)	100% (Ozamis, Iloilo)

¹ Please refer to formula and template based on the PPA Port Planning Manual (pages 1-10, 1-11, II-68 & II-69) which is largely based on the Handbook for Planners in Developing Countries prepared by the United Nations Conference on Trade & Development (UNCTAD).

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	Vessel Entrance and Clearance in conformity with ISO 9001:2000 and the applicable Government Quality Management Systems Standards (GQMSS)	Batangas, Cagayan de Oro, Davao, Zamboanga, Gen. Santos, Ozamis & Iloilo and excluding MICT, SH and NH which are operated by private concessionaire (E.O. 605)						
Quality 2	Percent of Ports with complete compliance with recognition requirements for Port Safety, Health and Environment Management System (PSHEMS) issued by the Partnership in Environmental Management of Seas in East Asia (PEMSEA)	(No. of Ports / 2 ports) x 100 where No. of Ports = 2 representing Iloilo & Cagayan de Oro which are PPA commitments to the ASEAN Ports Association project	8%		N/A	N/A	50% (Iloilo)	100% (Cagayan de Oro)
Quantity 1	Number of Port Privatization Studies completed in accordance with PPA Privatization Scheme	Number of Studies completed, presented and accepted to the PPA Board	5%		N/A	N/A	Manila Bulk Terminal Final Report by Nov. 30, 2013	Davao-Initiation of tender by October 31, 2014
Quantity 2	Percent of Existing Passenger Terminal Buildings (PTBs) privatized with electronic	(No. of Privatized PTBs w/e-ticketing / No. of PTBs for	9%				25% (Ubay, Jagna, San Carlos & Danao)	25% (Palompon, Baybay, Naval & Maasin)

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	ticketing component	Privatization) x 100 where No. of PTBs ² = 16 as of 2013						
Quantity 3	Percent accomplishment on e-payment development and implementation in all computerized collection sites	Major Scope of Work: System Investigation - 10% System Requirements Spec.-10% Design & Development - 50% Implementation - 30%	9%		N/A	N/A	10% System Investigation	90% ³
Quantity 4	Percent accomplishments on On-Line Permits System (On-Line application & approval for vehicle access, pedestrian access, permit to operate ancillary services & permit to occupy) for all ports with internet facility	Major Scope of Work: System Investigation - 10% System Requirements Spec.-10% Design & Development - 50% Implementation - 30%	9%		N/A	N/A	10% System Investigation	90% ⁴

² No. of PTBs to be updated each year based on economic dev. in various areas which would influence private sector interest.

³ Ninety Percent (90%) broken down as follows: System Requirements Spec.(10%), Design & Development (50%) and Implementation (30%).

⁴ Ibid.

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	Ave. Response Time in no. of major ports / gateways	No. of major ports per year / Total no. of major ports; where Total no. of ports ⁵ is 10						
Timeliness	a. Ave. Response Time-Simple Port Incident: First Responder Tactical Engagement	Within: 5-10 minutes 10-15 minutes	2%		N/A	N/A	100% Batangas, Cagayan de Oro, Davao, Iloilo, MICT	100% North Harbor, South Harbor, Zamboanga, General Santos, Ozamis
	b. Ave. Response Time-Bomb Threat First Responder Tactical Engagement	Within: 5-10 minutes 10-30 minutes	2%		N/A	N/A		
	c. Ave. Response Time-Medical First Responder Tactical Engagement	Within: 5- 10 minutes 10- 20 minutes	2%		N/A	N/A		
Subtotal of Weights:			54%					

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⁵ Referring to the 10 major gateways with highest volume of cargo traffic; PPA will endeavor to apply the same standards to other terminals in the future.

MFO 3: REGULATORY & ENFORCEMENT								
Quantity	Reduced Overall Average Number of Documentary Reqts for the following key regulations:	Total Number of Documents / Types of Permits ⁶			N/A	8	3	2
	a. Application for Permit to Operate Ancillary Services and Permit to Occupy				N/A	8	2	2
	b. Applications for Clearance to Develop Private Ports, Permit to Construct, Certificate of Registration and Permit to Operate Private Ports including Renewal Processes				N/A	9	2	2
	c. Entrance/ Clearance of Vessels				N/A	10	5	4
	d. Entry/ Withdrawal of Cargo from Government Ports				N/A	4	2	2
	e. Access Regulation for Trucks, Port users and Pedestrians				N/A	7	2	2
Subtotal of Weights:			10%					

⁶ In 2014, Reduction in Processing Time will be added as a Performance Measure if the 2013 reduced number of documents will be found to be already at the optimum level.

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GENERAL ADMINISTRATIVE SERVICES								
Quantity 1	Utilization of the Accounting and Financial Management System (AFMS) & System Enhancement				55.48	88.50	100.00	100.00
	a. % Utilization of AFMS							
	b. Best Practices in financial mgmt.							
	Return on Asset (>7)	Net Operating Income/ Average Depreciable Assets			10.28	12.52	8.69	7.72
	Current Ratio (>1)	Current Assets/Current Liabilities			1.19	1.92	1.18	1.14
	Debt/Equity Ratio (<1)	Total Liabilities/Total Equity			0.19	0.15	0.14	0.13
Quantity 2	Repairs and Maintenance & Maintenance Dredging	Total Volume of Silts Dredged			N/A	N/A	1.93 cubic meters	1.57 cubic meters
Financial		Actual Utilization of Budget			N/A	N/A	80%	80%
Subtotal of Weights:			0%					
TOTAL OF WEIGHTS:			100%					

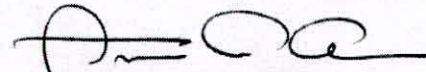
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Attested by:

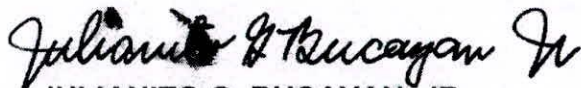


RAINIER B. BUTALID
Commissioner, GCG



JUAN C. STA. ANA
General Manager, PPA

Noted by:



JULIANITO G. BUCAYAN, JR.
Alternate Chairman, PPA

Date: 30 July 2013

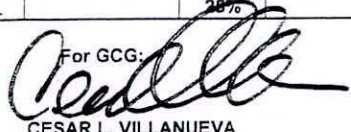
**SUMMARY OF AGREEMENTS
PHILIPPINE PORTS AUTHORITY
REVISED 2014 AGREEMENT**





Indicator	Formula	Weight	Baseline				2014					Remarks	RENEGOTIATED 2014 TARGET	Remarks
			2010	2011	2012	2013	1st Sem Actual	Agreed	PPA Proposed	Variance	%			
MFO 1 : Port Development														
Quantity 1a: Increase in berth length (in meters)	Refer to PPA Port Manual	5%	N/A	N/A	N/A	44,495.8 (*+585.8)	45,050.02 (*+554.22)	45,238.07 (*+742.27)	45,103.02 (*+607.22)	135.25	18%	PPA's Justification: Tabacco (70m.) - Delayed advertisement due to conflict with LGU; Mandaon (40m) - Rescheduled for 2015 while resolving ownership issue; San Jose (99m) - Deferred due to revisions of working plans to suit actual	45,103.02 (*+607.22) and removal of the 5,000 clear-to-go containers	GCG shall allow the deletion of this measure subject to the removal of the 5,000 containers to ease port congestion; shall be a 2015 target
Quantity 1b: Removal of the 5,000 clear-to-go containers by the end of November 2014		5%						5000 containers	5000 containers			All or nothing		
MFO 2: Port Services														
Quantity 1: Number of port privatization studies in accordance with PPA Privatization Scheme	Number of Studies completed, presented and accepted to the PPA Board	5%	N/A	N/A	N/A	Manila Bulk Terminal Final Report by Nov. 30, 2013	N/A	Davao -SASA Privatization (Initiation of Tender by October 31 2014)	Deletion of Measure	N/A	N/A	PPA Justification: PPA completed the FS for the Davao Sasa Privatization Project in July 2012 and DOTC engaged the services of a Transaction Advisor for A Davao Port PPP Project. This project is now included in the NEDA-PPP center list of projects. GCG Comment: Should be the subject of request for exclusion	Davao -SASA Privatization Initiation of Tender moved to 31 December 2014	GCG and PPA to meet with Usec. Timmy Limcaoco

Indicator	Formula	Weight	Baseline				2014					Remarks	RENEGOTIATED 2014 TARGET	Remarks
			2010	2011	2012	2013	1st Sem Actual	Agreed	PPA Proposed	Variance	%			
MFO 3: Regulatory and Enforcement														
Quantity: Reduced over all number of documentary requirements for PPA key regulations	Total Number of Documents/ Types of Permits	10%	N/A	N/A	N/A	3	N/A	2	3	1	50%	<p>PPA Justification: That 3 as an average number of documentary requirements is already the optimum number and cannot be further reduced to 2. Reduced processing time as an indicator is not viable because the survey showed that reduction from an average of 201.5 hours to an average of 114 hours (43% reduction) may not be much compared to the average.</p> <p>GCG Comment: As indicated in the signed 2013-2014 PPA Scorecard, this measure should be replaced by an indicator intended to reduce the processing time, if reduction of documentary requirements is found to be already at the optimum level.</p> <p>However, considering that the proposed indicator reducing processing time will only take effect on the last quarter of 2014, it is recommended that this measure be deleted and its weight be reallocated to financial indicators.</p> <p>Proposed financial indicators:</p> <p>Increase in Gross Revenues (in absolute amount) - 5% weight - PHP12 Billion target;</p> <p>Increase in EBITDA (in absolute amount) - 5% weight - PHP6 Billion target</p>	3	
GRAND TOTAL		28%												

For GCG:



CESAR L. VILLANUEVA
Chairman


MA. ANGELA E. IGNACIO
Commissioner


RAINIER B. BUTALID
Commissioner

For PPA:

JUANITO G. BUCAYAN, JR.
Chairman


JUAN C. STA. ANA
Vice Chairman

**SUMMARY OF AGREEMENTS
PHILIPPINE PORTS AUTHORITY
2015**



GOCC PROPOSAL	AGREED 2013-2014	GCG Observation/Findings	AGREEMENT	Remarks
Charter Statement			Charter Statement	
Mission Statement	Mission Statement		Mission Statement	
<p>To create an environment that propels the development of the Philippine gaming and entertainment industry</p> <p>To establish and enforce a regulatory framework that preserves the integrity of the Philippine gaming industry</p> <p>To be a responsible and responsive partner of the Philippine government in its nation-building programs</p>				
Vision Statement	Vision Statement		Vision Statement	
<p>By 2030, PPA shall have provided globally competitive port services in the Philippines characterized by increased productivity, efficiency, connectivity, comfort, safety, security and environmental sustainability.</p>		<p>The 2030 timeline is too far off into the future.</p>	<p>By 2020, PPA shall have provided globally competitive port services in the Philippines characterized by increased productivity, efficiency, connectivity, comfort, safety, security and environmental sustainability.</p>	Adopted from DOTC
Core Values	Core Values		Core Values	
<p>Excellence. Creativity. Customer Satisfaction. Responsible Citizenship. Ethics. Creativity. Sincerity. Teamwork.</p>				

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For GCG

CESAR L. VILLANUEVA
Chairman

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MA ANGE LA E. IGNACIO
Commissioner

[Signature]
RAINIER B. BUTALID
Commissioner

For PPA:

JUANITO G. BUCAYAN, JR.
Chairman

[Signature]
JUAN C. STA. ANA
Vice Chairman