

**NATIONAL TOBACCO ADMINISTRATION (NTA)  
Revalidated 2018 Performance Scorecard**

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks															
Objective/Measure	Formula	Wt.	2018	Actual	Rating	Score	Rating																		
<b>SO 1</b>	<b>Sustained Viable Tobacco Industry</b>																								
SM 1	Yield per hectare (kg/ha)	Total Production / Total Area	10%	2,400	2,554	10%	2,404.85	10%	<ul style="list-style-type: none"> <li>Summary on Yield and Yield Components of Different Tobacco Types for Crop Year 2017-2018</li> <li>Yield and Yield Components Schedule of Different Tobacco Types for Crop Year 2017-2018 per Branch</li> </ul>	<table border="1"> <thead> <tr> <th>Tobacco Type</th> <th>Prod'n (kg)</th> <th>Area (ha)</th> </tr> </thead> <tbody> <tr> <td>Virginia</td> <td>4,244,469.98</td> <td>1,827.35</td> </tr> <tr> <td>Burley</td> <td>3,083,266.69</td> <td>1,198.22</td> </tr> <tr> <td>Native</td> <td>1,991,436.74</td> <td>849.58</td> </tr> <tr> <td><b>Total</b></td> <td><b>9,319,173.41</b></td> <td><b>3,875.15</b></td> </tr> </tbody> </table>	Tobacco Type	Prod'n (kg)	Area (ha)	Virginia	4,244,469.98	1,827.35	Burley	3,083,266.69	1,198.22	Native	1,991,436.74	849.58	<b>Total</b>	<b>9,319,173.41</b>	<b>3,875.15</b>
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SM 2	Ratio of farmers' income from other crops and livelihood activities vis-à-vis income from tobacco production	Income from other sources: Income from tobacco	6%	54:46	47:53	4.53%	23:77	-	<ul style="list-style-type: none"> <li>Summary on the Net Income of Farmers from Tobacco and Other Crops / Livestock</li> <li>Schedule on the Net Income of Farmers from Tobacco and Other Crops / Livestock Income per Branch</li> </ul>	<p><i>Excluded Measure.</i></p> <p>Typhoon Ompong has extensively damaged the rice crops; which significantly affected the farmer's income from other crops. The income from rice was recorded at ₱12.613 Million, as compared to prior year's income of ₱88.342 Million. Considering the adverse effect of Typhoon Ompong which is beyond NTA's control, this measure merits an exclusion from the computation of the overall rating.</p>															
<b>Subtotal</b>			<b>16%</b>			<b>14.53%</b>		<b>10%</b>	-																

SOCIAL IMPACT

Revalidated 2018 Performance Scorecard (Annex A)

	Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks																						
	Objective/Measure	Formula	Wt.	2018	Actual	Rating	Score	Rating																								
<b>STAKEHOLDERS</b>	<b>SO 2</b>	<b>Improved Quality of Life of Tobacco Farmers</b>																														
	SM 3	Percentage of Satisfied Customers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	6%	90%	Data Collection Proper	0%	97.57%	6%	<ul style="list-style-type: none"> <li>2018 Customer Satisfaction Survey Final Report</li> <li>Data Collection Quality Control Report</li> <li>Accomplished Survey Questionnaires</li> </ul>	Revalidated score. <table border="1"> <thead> <tr> <th>Rating</th> <th>No. of Respondents</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>5 - VS</td> <td>415</td> <td>77.72%</td> </tr> <tr> <td>4 - S</td> <td>106</td> <td>19.85%</td> </tr> <tr> <td>3 - N</td> <td>12</td> <td>2.25%</td> </tr> <tr> <td>2 - D</td> <td>0</td> <td>0%</td> </tr> <tr> <td>1 - VD</td> <td>1</td> <td>0.19%</td> </tr> <tr> <td><b>Total</b></td> <td>534</td> <td>100%</td> </tr> </tbody> </table>	Rating	No. of Respondents	%	5 - VS	415	77.72%	4 - S	106	19.85%	3 - N	12	2.25%	2 - D	0	0%	1 - VD	1	0.19%	<b>Total</b>	534	100%
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SM 4	Farmers' Net Income per hectare	Gross Sales (tobacco) less Cost of Production (Per Branch/Area)	6%	₱72,000	₱88,701	6%	₱85,414	6%	<ul style="list-style-type: none"> <li>Schedule of Net Income per NTA Branch</li> </ul>	<table border="1"> <tbody> <tr> <td>Gross Sale</td> <td>744,778,865.60</td> </tr> <tr> <td>Cost of Production</td> <td>413,786,313.12</td> </tr> <tr> <td>Net Income</td> <td>330,992,552.48</td> </tr> <tr> <td>Area</td> <td>3,875.15</td> </tr> </tbody> </table>	Gross Sale	744,778,865.60	Cost of Production	413,786,313.12	Net Income	330,992,552.48	Area	3,875.15														
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<b>SO 3</b>	<b>Assured Production of Quality Locally-Produced Tobacco as Desired by Various Markets</b>																															
SM 5	Percentage increase in high grades of tobacco (Grades AA to C/high to medium 2)	% in High Grades (current yr. less previous yr. over previous yr.) x 100	6%	2.5%	2.50%	6%	2.39% decrease (72.33%)	0%	<ul style="list-style-type: none"> <li>Summary of Grade Distribution of Tobacco Types</li> <li>Grade Distribution of Tobacco Types per Regional Office</li> </ul>	<table border="1"> <thead> <tr> <th>Tobacco Type</th> <th>HG</th> <th>Traded Stock</th> </tr> </thead> <tbody> <tr> <td>Virginia</td> <td>2,739,957.87</td> <td>4,244,469.98</td> </tr> <tr> <td>Burley</td> <td>2,541,223.61</td> <td>3,083,266.69</td> </tr> <tr> <td>Native</td> <td>1,458,918.00</td> <td>1,991,436.74</td> </tr> <tr> <td><b>Total</b></td> <td><b>6,740,099.48</b></td> <td><b>9,319,173.41</b></td> </tr> </tbody> </table> <p>The percentage share of high grade tobacco in 2017 is 74.10%. NTA is again advised to use absolute values instead of percentages in the formula.</p>	Tobacco Type	HG	Traded Stock	Virginia	2,739,957.87	4,244,469.98	Burley	2,541,223.61	3,083,266.69	Native	1,458,918.00	1,991,436.74	<b>Total</b>	<b>6,740,099.48</b>	<b>9,319,173.41</b>							
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<b>Total</b>	<b>6,740,099.48</b>	<b>9,319,173.41</b>																														
	<b>Sub-total</b>		<b>18%</b>			<b>12%</b>		<b>6%</b>																								



Revalidated 2018 Performance Scorecard (Annex A)

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Objective/Measure	Formula	Wt.	2018	Actual	Rating	Score	Rating																			
<b>SO 5 Effective Enforcement of Regulatory Measures</b>																										
Percentage of licensed companies fully compliant to rules and regulations:																										
INTERNAL PROCESS SM 7	(a) local Trading	Total licensed entities minus Number of Violators over Total licensed entities	4%	100%	100%	4%	96.99%	3.88%	<ul style="list-style-type: none"> <li>Form 23 Supervision/ Monitoring of Trading Operations</li> <li>Form 23-A Supervision/ Monitoring of Field Representative/ Viajeros</li> <li>Form 22 Supervision/ Monitoring Prior to Trading</li> <li>Mediation / Arbitration</li> <li>Summary of Violations</li> <li>Summary of Approved Licenses 2018</li> </ul>	<table border="1"> <thead> <tr> <th></th> <th>Licensed</th> <th>Violations</th> <th>Violators</th> </tr> </thead> <tbody> <tr> <td>Local Trading</td> <td>365</td> <td>204</td> <td>11</td> </tr> <tr> <td>Export/ Import Trans</td> <td>70</td> <td>2</td> <td>2</td> </tr> <tr> <td>Manufacturing</td> <td>21</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>NTA was advised to improve their documentation on local trading, particularly on developing a monitoring template and definite timeline for all regions. It was also noted that the supporting documents were submitted in installment; NTA is advised against such practice in the coming years.</p>		Licensed	Violations	Violators	Local Trading	365	204	11	Export/ Import Trans	70	2	2	Manufacturing	21	0	0
			Licensed	Violations	Violators																					
	Local Trading		365	204	11																					
Export/ Import Trans	70	2	2																							
Manufacturing	21	0	0																							
(b) export / import / transshipment	4%	87%	99%	4%	97.14%	4%																				
(c) manufacturing	4%	100%	100%	4%	100%	4%																				
SM 8	Percentage of violations resolved within the day	No. of violations resolved over Total no. of violations	3%	92%	100%	3%	98.06% (202/206)	3%	<ul style="list-style-type: none"> <li>Monitoring of Trading Operations</li> <li>Inspection / Permit to Transport / Incidental Report</li> <li>Log/Record Book</li> <li>Demand Letters</li> </ul> <p>For 2018, 206 violations were committed by 13 licensed companies, comprised of 11 traders and 2 importers.</p>																	
<b>Sub-total</b>			<b>29%</b>			<b>29%</b>		<b>28.88%</b>																		

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Objective/Measure	Formula	Wt.	2018	Actual	Rating	Score	Rating																					
LEARNING AND GROWTH	<b>SO 6</b>	<b>Develop Competent and Highly Work-Motivated Employees in a Conducive Organizational Climate</b>																										
	SM 9	Percentage of employees meeting required competencies	Total number of incumbents meeting required competencies over Total number of incumbents	4%	12%	31%	4%	31.36%	4%	<ul style="list-style-type: none"> <li>Competency Model</li> <li>Assessment Forms</li> <li>Plantilla of Personnel 2018</li> </ul> 287 employees in 2018 were evaluated against the required level of competencies and 90 of them perfectly matched the requirements or equivalent to 31.36%																		
	<b>SO 7</b>	<b>Adopt a More Efficient, Effective and Responsive Information System</b>																										
	SM 10	ISO 9001 Certification	Milestone	5%	ISO 9001:2015 Certified	ISO 9001:2015 Certified	5%	ISO 9001:2015 Certified	5%	<ul style="list-style-type: none"> <li>ISO Certificate (SGS)</li> </ul> The scope of the certificate covers Research and Development, Regulatory Services, Technology Assistance, Extension and Production Support Services of NTA																		
	<b>Sub-total</b>			<b>9%</b>			<b>9%</b>		<b>9%</b>																			
FINANCE	<b>SO 8</b>	<b>Attain Financial Stability</b>																										
	SM 11	EBITDA (P)	Net Income before subsidy + Interest + Taxes + Depreciation + Amortization	4%	-201,754, 193	182,820,977	4%	-194,130, 225	4%	<ul style="list-style-type: none"> <li>NTA's Audited Income Statement</li> <li>Notes to FS 2018</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>2017</th> <th>2018</th> </tr> </thead> <tbody> <tr> <td>NI after Subsidy</td> <td>(216.153)</td> <td>(224.78)</td> </tr> <tr> <td>Interest</td> <td>0</td> <td>0</td> </tr> <tr> <td>Taxes</td> <td>0</td> <td>0</td> </tr> <tr> <td>Dep'n</td> <td>29.84</td> <td>30.65</td> </tr> <tr> <td><b>EBITDA</b></td> <td><b>(186.31)</b></td> <td><b>(194.13)</b></td> </tr> </tbody> </table>		2017	2018	NI after Subsidy	(216.153)	(224.78)	Interest	0	0	Taxes	0	0	Dep'n	29.84	30.65	<b>EBITDA</b>	<b>(186.31)</b>	<b>(194.13)</b>
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<b>EBITDA</b>	<b>(186.31)</b>	<b>(194.13)</b>																										
SM 12	Utilization rate:	Production assistance provided to farmers / Total budgeted production assistance								<ul style="list-style-type: none"> <li>Status Reports</li> <li>Minutes of board meetings</li> </ul> The total releases per program is as follows: <table border="1"> <tbody> <tr> <td>Tobacco</td> <td>P173,798,949</td> </tr> <tr> <td>Rice</td> <td>36,078,797</td> </tr> <tr> <td>Renewable Energy</td> <td>2,916,435</td> </tr> </tbody> </table>	Tobacco	P173,798,949	Rice	36,078,797	Renewable Energy	2,916,435												
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(a) Tobacco	5%	100%	94.5%	4.73%	96.55%	4.83%																						
(b) Rice	5%	100%	99.85%	4.99%	99.92%	4.99%																						
(c) Renewable energy	3%	100%	40%	1.20%	57.30%	1.72%																						

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	(d) Agripinoy		3%	100%	-	-	-	-		Excluded Measure. Release of funds was temporarily stopped to avoid continued losses in the operation of the project.							
FINANCE	Collection efficiency:																
	SM 13	(a) Tobacco	Total actual collection / Total production assistance released	3%	92%	104.83%	3%	89.09%	2.91%	<ul style="list-style-type: none"> <li>Status Report on Production Assistance</li> <li>Regional Reports/ Certification Collections</li> </ul>	<table border="1"> <tr> <td>Loan Releases<sup>A</sup></td> <td>124,475,426</td> </tr> <tr> <td>Collection<sup>B</sup></td> <td>110,897,399</td> </tr> <tr> <td>Collection Efficiency<sup>B/A</sup></td> <td><b>89.09%</b></td> </tr> </table>	Loan Releases <sup>A</sup>	124,475,426	Collection <sup>B</sup>	110,897,399	Collection Efficiency <sup>B/A</sup>	<b>89.09%</b>
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		Collection <sup>B</sup>		110,897,399													
		Collection Efficiency <sup>B/A</sup>		<b>89.09%</b>													
(b) Rice	3%	97%	43.45%	1.34%	-	-	Excluded Measure. Per Board Resolution 840-2018 dated 11 May 2018, considering the effect of Typhoon Ompong, the outstanding loan balances of rice farmers are recommended for restructuring for a maximum of 7 years. Hence, NTA could not enforce collection during the year.										
(c) Renewable energy	1%	50%	40.23%	0.80%	85.31%	1%	<table border="1"> <tr> <td>Loan Releases<sup>A</sup></td> <td>1,948,865</td> </tr> <tr> <td>Collection<sup>B</sup></td> <td>1,662,548</td> </tr> <tr> <td>Collection Efficiency<sup>B/A</sup></td> <td><b>85.31%</b></td> </tr> </table>	Loan Releases <sup>A</sup>	1,948,865	Collection <sup>B</sup>	1,662,548	Collection Efficiency <sup>B/A</sup>	<b>85.31%</b>				
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Collection Efficiency <sup>B/A</sup>	<b>85.31%</b>																
(d) Agripinoy	1%	97%	-	-	-	-	Excluded Measure. No releases for the AgriPinoy loan assistance project both in 2017 and 2018. It was founded on the decision of NTA Board to temporarily stop the project until a concrete action plan is implemented addressing the recurring losses. Moreover, no subsidy was received that could fund the project.										
	<b>Sub-total</b>		<b>28%</b>				<b>20.06%</b>		<b>19.45%</b>								
	<b>TOTAL</b>		<b>100%</b>				<b>84.59%</b>		<b>91.18%</b> <b>(79.33</b> <b>87.00)</b>								