

Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
Scout Reyes Street, corner Panay Avenue, Quezon City
Tel No. (02) 374-3987 Fax No. (02) 374-2505

OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND SIXTEENTH (116TH) REGULAR MEETING OF THE NTA
BOARD OF DIRECTORS HELD AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT
REYES STREET CORNER PANAY AVENUE, QUEZON CITY
12 SEPTEMBER 2018, 12:00 NOON**

Present:

Usec. EVELYN G. LAVIÑA	-	Undersecretary, Dept. of Agriculture Alternate Chairman/Presiding
Adm. ROBERT L. SEARES	-	Vice-Chairman/Administrator
Dir. PEDRO J. MENDIOLA, JR.	-	Member, Traders/Exporters Sector
Dir. RODOLFO F. SALANGA	-	Member, Manufacturing Sector
Dir. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Dir. NESTOR C. CASELA	-	Member, Academic Community Sector
Dir. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector

Others Present:

Ms. JOVY MARTA R. DIAZ	-	Executive Asst., DA-High Value Crops
Dr. ROBERTO R. BONOAN	-	Dept. Manager III, IRD
Ms. MA. TERESA B. LAUDENCIA	-	Dept. Manager III, Finance Department
Atty. ROBERT A. AMBROS	-	Dept. Manager III, Regulation Dept. & Acting Board Secretary
Dr. MIKAEL G. CRISOLOGO	-	Consultant, NTA AgriPinoy Projects
Engr. HERMOGENES A. GALVEZ	-	Project Manager, Tobacco Dust Project
Ms. ALONA A. MANGANAAN	-	Executive Assistance IV
Mr. RAMON R. MUNCAL	-	Stenographer II

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER AND OPENING PRAYER

Honorable Undersecretary Evelyn G. Laviña, Alternate Chairman of the NTA Governing Board, called the meeting to order. Ms. Jovy Marta R. Diaz, Executive Assistant, Office of Undersecretary Laviña led the opening prayer.

**II. ACKNOWLEDGEMENT OF THE PRESENCE OF THE APPOINTIVE
DIRECTORS AND DETERMINATION OF QUORUM**

The Acting Board Secretary acknowledged the presence of the following Appointive Members of the NTA Governing Board, to wit:

1. Usec. EVELYN G. LAVIÑA
2. Adm. ROBERT L. SEARES, M.D.
3. Dir. PEDRO J. MENDIOLA, JR.
4. Dir. RODOLFO F. SALANGA

5. Dir. WILFREDO C. MARTINEZ
6. Dir. TEOFILO R. QUINTAL
7. Dir. NESTOR C. CASELA; AND
8. Dir. DANILO C. TRONGCO

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of more than majority of the Members of the NTA Governing Board.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL OF THE AGENDA FOR THE ONE HUNDRED AND SIXTEENTH (116TH) REGULAR MEETING HELD THIS 12 SEPTEMBER 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

Dir. Salanga moved for the approval of the Agenda for the 116th Regular Meeting of the Board, subject to the discussion of other matters that will arise. Dir. Casela seconded the motion.

Usec. Laviña manifested her intention to introduce additional matters to be discussed in the Agenda as part of "Other Matters". The board then adopted the following resolution, to wit:

RESOLUTION NO. 908-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the NTA Governing Board approves the Agenda of the One Hundred and Sixteenth (116th) Regular Meeting of the NTA Governing Board held this 12 September 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED....."

B. APPROVAL OF THE MINUTES OF THE EIGHTY-EIGHTH (88TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 30 AUGUST 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY

The Presiding Officer presented the Minutes of the Eighty-Eighth (88th) Special Meeting of the NTA Governing Board held on 30 August 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City, for the consideration and approval of the Members.

Dir. Quintal moved for the approval of the minutes. Dir. Salanga seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 909-2018

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the amended Minutes of the Eighty-Eighth (88th) Special Meeting of the NTA Governing Board held on 30 August 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

On matters arising from the minutes, Usec. Laviña made mention of the proposal of Dir. Martinez during the last meetings regarding the tobacco production in Mindanao area. She said that she has some questions which she pointed out and shall refer those matters to the concerned Board Committee level for further discussion. She also recalled the proposed Hog Dispersal Project which she previously suggested to restudy so that the farmers will have a return of investment. She made as an example the other organizations which she previously handled that while they were organized as non-profit, they still need a little profit for continuity to be able to help others and will not again ask from the government for support.

Dir. Salanga informed Usec. Laviña that the AgriPinoy staff already submitted the revised proposal which will have a minimal profit but definitely not losing.

C. TOBACCO CONTRACT GROWING SYSTEM (TCGS) PROJECT FOR CY 2018-2019

Dir. Salanga informed the Presiding Officer that the above matter was thoroughly discussed during yesterday's committee meeting and it was unanimously approved by the Committee Members. He then moved for the approval of the matter. Dir. Casela seconded the motion. The board adopted the following resolution, to wit:

RESOLUTION NO. 910-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the implementation of the Tobacco Contract Growing System (TCGS) Project for Calendar Year (CY) 2018-2019 and authorizes the NTA Management to conduct the public bidding for the procurement of farm inputs, subject to the submission of the final list of Farmer-Cooperators (FCs).

RESOLVED, FURTHER, that there shall be separate public biddings for locally available and imported farm inputs to give opportunity to local suppliers of farm inputs to submit their bid proposals.

UNANIMOUSLY APPROVED.....”

D. APPROVAL OF THE REQUEST FOR THE RESTRUCTURING OF PLANTILLA POSITIONS FOR THE INTERNAL AUDIT SERVICE (IAS)

Dir. Salanga likewise informed the Presiding Officer that the matter was thoroughly discussed during the committee meeting. He said that the matter has the imprimatur of the GCG and the DBM and the said offices only require the approval of the NTA Governing Board.

He then moved for the approval of the matter. Dir. Quintal seconded the motion. There being no further comment, the board adopted the following resolution, to wit:

RESOLUTION NO. 911-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the restructuring of the Internal Audit Service (IAS) subject to compliance with applicable laws, rules and regulations implemented by the Governance Commission for Government-Owned and Controlled Corporations (GCG) and the Department of Budget and Management (DBM).

UNANIMOUSLY APPROVED.....”

IV. OTHER MATTERS

A. DISPLACED TOBACCO FARMERS AT SAN JOSE, OCCIDENTAL MINDORO

Usec. Laviña informed the Members of the NTA Governing Board with respect to the concerns of displaced tobacco farmers at Occidental Mindoro. She said that the Provincial Government has received P23M share from the excise tax collection on cigarettes. She further reported that while the Provincial Government proposed to give financial assistance to 1,512 tobacco farmers, the DBM only approved the assistance for 419 tobacco farmers. She said that before these farmers will lodge their complaint to the President, the NTA should make the necessary action even without written request from the farmers.

Dir. Salanga replied that the discretion to use the excise tax share pertains to the LGU and the NTA has no participation whatsoever. However, the Presiding Officer insisted that she will refer the matter to the NTA. She then instructed the Acting Board Secretary to prepare the necessary reply to the concern of the farmers.

B. IMPLEMENTING GUIDELINES FOR THE AGRIPINOY HOG FATTENING PROJECT

Dir. Salanga explained that the AgriPinoy staff came out with the Implementing Guidelines for the Hog Fattening Project. He reported that the proposal shall include 960 hogs to be distributed to 20 farmer clusters.

Usec. Laviña suggested that there should be other livelihood projects aside from hog fattening. She said that if the hogs will be for fattening only, there is low return of investment, unlike if it will be revised for breeding program where the ROI will be higher.

Dr. Crisologo responded that the TWG will consider the suggestion of Usec. Laviña, except that there are certain conditions of the DENR to be complied with and it cannot be undertaken as a backyard activity.

Adm. Seares informed Usec. Laviña that hogs that coming from other provinces going to Ilocos Sur are being charged with Quarantine Fee by the Provincial Government. Dir. Quintal said that the fee was implemented through a Sangguniang Panlalawigan Ordinance imposed for hogs weighing 100 kilograms and above as part of quality control.

Atty. Ambros suggested that NTA may try to request from the Provincial Government of Ilocos Sur for exemption. Usec. Laviña suggested that the request should be signed by the members of the concerned board committee.

Dir. Salanga also reported that the NTA already awarded the contract for the delivery of hogs originally intended for TESDA Training on Hog Butchering. However, due to change of policy on the part of TESDA, all short term courses were suspended, hence, the training for Hog Butchering was cancelled. Dr. Crisologo proposed to the board that the supply and delivery of hogs will be used for the meat processing activities of the AgriPinoy Meat Processing Plant.

On motion of Dir. Salanga, duly seconded by Dir. Casela, the board adopted the following resolution, to wit:

RESOLUTION NO. 912-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the Implementing Guidelines for the Hog Dispersal Program of the AgriPinoy Projects.

RESOLVED, FURTHER, that the supply and delivery of 380 hog originally intended for the Hog Butchering Training under the Technical Education and Skills Development Authority (TESDA) shall be utilized as raw materials for the production of meat products of the AgriPinoy Meat Processing Plant

UNANIMOUSLY APPROVED.....”

C. KAKAHUYANG PANGKALIKASAN AT PANGKABUHAYAN (KPP) PROJECT

Dir. Salanga reported that the NTA is revising the purpose of the KPP project in order to align with the requirement of the DENR on fuelwood sustainability. He said that the NTA conducted consultative meeting with the industry sector and already came out programs/activities to be undertaken such as survey and inventory of existing trees planted but cannot be harvested due to DENR regulations.

Usec. Laviña suggested that once a tree is planted, it should be registered with the DENR and which can be issued later with the corresponding certificate/authority to cut during harvesting time. She suggested that each job order hires should have their own quota and if possible use paints to mark the trees which were already inventories and to use different colors for each specie.

Engr. Hermogenes Galvez reported that after the meeting with the TWG and project coordinators, he is proposing to hire the services of 34 Job Orders with a total budget of P1,408,820.00, for a period of three (3) months. He said that the survey/inventory activity shall cover 6,864 hectares with 76,483 farmer-cooperators.

RESOLUTION NO. 913-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the hiring of thirty-four (34) Job Order Hirees to conduct the actual survey and inventory of trees already planted under the Kakahuyang Pangkalikasan at Pangkabuhayan (KPP) Project, for a duration of three (3) months with a total budgetary requirement of PhP1,418,820.00.

UNANIMOUSLY APPROVED.....”

D. PROPOSED TOBACCO PRODUCTION PROJECT AT MINDANAO AREA

Dir. Martinez reported that the MOA for the said project has not yet been finished. Atty. Sison was requested to attend the board meeting to shed light on the concern of Dir. Martinez. Atty. Sison explained the reason for the delay which was mainly due to constant changes of instructions from the board itself.

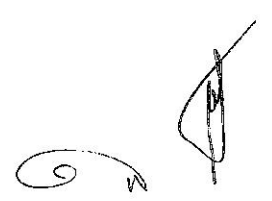
Usec. Laviña asked the members of the board if they are in agreement to implement the project at Mindanao, which they agreed. She then instructed Atty. Sison to have a working paper the list of requirements will be provided by Atty. Ambros. She also instructed Atty. Sison to coordinate with the TESDA for the formulation of the module of training and the funding requirement should come from TESDA but the module should come from NTA. She suggested that the MOA should only involve the NTA, TESDA and the concerned farmers' cooperatives, the LGUs can be involved later which will be covered by another MOA. The MOA with TESDA should accommodate all interested enrollees whether or not member of the cooperative.

V. ADJOURNMENT

The agreed to conduct the next Committee and Special Board Meetings, as follows:

- a. Committee Meeting - 20 September 2018; and
- b. 89th Special Meeting - 21 September 2018.

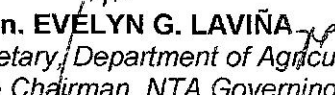
There being no other matter to be taken up, and upon motion of Dir. Mendiola, duly seconded by Dir. Salanga, the meeting was officially adjourned at 3:15 P.M.



PREPARED AND CERTIFIED CORRECT:



ATTY. ROHBERT A. AMBROS
Acting Board Secretary

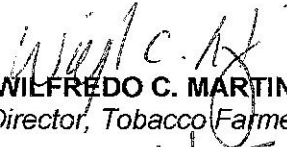
ATTESTED:


Hon. EVELYN G. LAVIÑA
*Undersecretary, Department of Agriculture
and Alternate Chairman, NTA Governing Board*


Hon. ROBERT L. SEARES
*Administrator, National Tobacco Administration
and Vice-Chairman, NTA Governing Board*

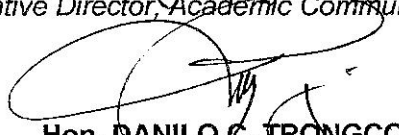

Hon. PEDRO J. MENDIOLA, JR.
Appointive Director, Tobacco Trader/Exporter Sector


Hon. RODOLFO F. SALANGA
Appointive Director, Tobacco Manufacturing Sector


Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector


Hon. TEOFILO R. QUINTAL
Appointive Director, Tobacco Farmers Sector


Hon. NESTOR C. CASELA
Appointive Director, Academic Community Sector


Hon. DANILO C. TRONGCO
Appointive Director, Tobacco Farmers Sector