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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

**MINUTES OF THE ONE HUNDRED AND TWENTIETH (120TH) 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
11 JANUARY 2019, 12:00 NOON**

Present:

Adm. ROBERT L. SEARES	-	Vice-Chairman/Administrator /Presiding
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:

Mr. ENRIQUE G. DELA CRUZ	-	Consultant, Office of Usec. Evelyn G. Laviña, DA-High Value Crops
Dr. CRISTINA C. LOPEZ	-	Dept. Manager III, Administrative Dept.
Atty. ROHBERT A. AMBROS	-	Dept. Manager III, Regulation Dept. & Acting Board Secretary
Atty. ROBERTO M. SISON	-	Attorney V
Ms. ALONA A. MANGANAAN	-	Executive Assistant IV
OMr. RAMON R. MUNCAL	-	Stenographer II

HIGHLIGHTS OF THE MEETING

I. CALL TO ORDER

Honorable Robert L. Seares, M.D., Vice-Chairman of the NTA Governing Board, called the meeting to order at 11:00 A.M.

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. Adm. ROBERT L. SEARES, M.D.
2. Dir. PEDRO J. MENDIOLA, JR.
3. Dir. RODOLFO F. SALANGA
4. Dir. WILFREDO C. MARTINEZ
5. Dir. TEOFILO R. QUINTAL
6. Dir. NESTOR C. CASELA; and
7. 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. He also recognized the presence of Mr. Enrique G. Dela Cruz from the Department of Agriculture, as well as Dr. Cristina C. Lopez and Atty. Roberto M. Sison.

III. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. APPROVAL OF THE AGENDA FOR THE ONE HUNDRED AND TWENTIETH (120TH) REGULAR MEETING HELD THIS 11 JANUARY 2019 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 120th Regular Meeting of the Board, subject to the other matters that will be discussed later in the meeting. Dir. Trongco seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 995-2019

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the NTA Governing Board approves the Agenda of the One Hundred and Twentieth (120th) Regular Meeting of the NTA Governing Board held this 11 January 2019 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 NINETY-SECOND (92ND) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 20 DECEMBER 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 Ninety-Second (92nd) Special Meeting of the NTA Governing Board held on 20 December 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. Casela moved for the approval of the minutes. Dir. Martinez seconded the motion. The board then adopted the following resolution, to wit:

RESOLUTION NO. 996-2019

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the minutes of the Ninety-Second (92nd) Special Meeting of the NTA Governing Board held on 20 December 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

C. AWARD OF CONTRACT FOR THE PROJECT: "SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF NINE (9) UNITS OF SOLAR POWERED IRRIGATION SYSTEM (SPIS)"

On motion of Dir. Quintal, duly seconded by Dir. Salanga, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 997-2019

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the award of the contract for the project: "Supply, Delivery, Installation and Commissioning of Nine (9) Units of Solar Powered Irrigation System (SPIS)" in favor of Lakas Agritech Marketing with the Single Calculated and Responsive Bid (SCRB) in the amount of Php5,523,300.00.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to enter into Contract Agreement with the winning bidder, for and in behalf of the NTA, and to issue the Notice of Award and Notice to Proceed and shall be responsible in supervising the implementation of the said project until its final completion.

UNANIMOUSLY APPROVED....."

D. REQUEST FOR ADDITIONAL FUNDING FOR THE IMPLEMENTATION OF THE SOUTHERN MINDANAO TOBACCO PILOT PRODUCTION PROJECT

For consideration is the request for additional funds for the implementation of the Southern Mindanao Tobacco Pilot Production Project to cover labor costs and training expenses in the amount of Php404,559.00.

During yesterday's Committee Meeting, Dir. Salanga requested for the deferment of the matter and the NTA Governing Board instructed Dr. Giovanni B. Palabay, Project Proponent/Focal Person, to revise the project proposal to include the requested additional funds for submission in the next board meeting.

(deferred)

E. DESIGNATION OF DISBURSEMENT OFFICER/S FOR THE SOUTHERN MINDANAO TOBACCO PILOT PRODUCTION PROJECT

In the same manner that the project proposal will be revised, the deliberation on the request for the designation of authorized disbursing officer for the Southern Mindanao Tobacco Pilot Production Project is likewise deferred.

(deferred)

F. CONDEMNATION OF THE DUPLEX TYPE HOUSING UNIT AT THE NTA BATAAC HOUSING COMPLEX AT BRGY. TABUG, BATAAC CITY, ILOCOS NORTE

During yesterday's committee meeting, Dir. Casela requested that the matter be deferred in the meantime subject to the submission of an inspection report by Engr. Abraham Dela Peña as to the condition of the building and list of fixtures which can be recovered/salvaged therefrom and the submission of a Commission on Audit (COA) Report pursuant to existing rules and regulations on condemnation proceedings.

(deferred)

G. ADOPTION AS A POLICY TO GRANT THE EDUCATIONAL ASSISTANCE INCENTIVE BENEFIT (EAIB) NOT LATER THAN JANUARY 15 OF EACH YEAR BEGINNING CY 2019

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

RESOLUTION NO. 998-2019

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby adopts as a policy that the Educational Assistance Incentive Benefit (EAIB) to qualified NTA officials/employees shall be granted on or before January 15th starting CY 2019 and every year thereafter in view of the change of School Calendar from June to January.

UNANIMOUSLY APPROVED....."

H. AWARD OF CONTRACT FOR THE PROJECT: "CONSTRUCTION OF GARAGE AND PERIMETER FENCE FOR THE NTA LA UNION BRANCH OFFICE, BAUANG, LA UNION"

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

RESOLUTION NO. 999-2019

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the award of the contract for the project: "Construction of Garage and Perimeter Fence for the NTA-La Union Branch Office, Bauang, La Union" in favor of R.C. Floresca Construction & Supply with the Single Calculated and Responsive Bid (SCRB) in the amount of Php2,907,618.78.

RESOLVED, FURTHER, that the Vice-Chairman/Administrator is hereby authorized to enter into Contract Agreement with the winning bidder, for and in behalf of the NTA, and to issue the Notice of Award and

Notice to Proceed and shall be responsible in supervising the implementation of the said project until its final completion.

APPROVED UNANIMOUSLY.....”

IV. OTHER MATTERS

A. DEPARTMENT OF AGRICULTURE DIRECTIVE TO DA-ATTACHED AGENCIES TO PROVIDE ASSISTANCE TO LIVESTOCK AND POULTRY FARMERS

During yesterday's committee meeting, Engr. Avelino M. Bernardo, a DA-Accredited importer of fruits and who was tasked by the DA Secretary to inform the NTA Governing Board on the directive for all DA attached agencies to provide assistance to livestock and poultry farmers in view of the problem on low farm gate prices due to over production. Engr. Bernardo explained to the board the marketing scheme that will be adopted using the NTA funds with assured market. Dir. Salanga informed Engr. Bernardo that the NTA has no funds for the purpose, unless the Honorable Secretary will assist the NTA in requesting funds from the Department of Budget and Management (DBM).

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

RESOLUTION NO. 1000-2019

“WHEREAS, in view of over production of poultry, livestock, fruits, vegetables and other farm products, agricultural farmers are currently beset with extremely low farm gate prices of their produce, while market prices of agricultural products have not changed.

WHEREAS, to cushion the effect of the problem on the part of the agricultural farmers, the Department of Agriculture (DA) has directed its attached agencies to move, create measures and utilize their respective resources to prevent further deterioration and bankruptcy of the farming business.

WHEREAS, the DA has directed the NTA to provide assistance to the farmers in view of its existing meat and poultry processing plant and cold storage facilities to undertake the emergency purchase of these agricultural products and to store the same in its cold storage facilities and/or with other cold storage facilities as the need arises.

WHEREAS, for the over production of poultry products alone, the government needs Php1.3 Billion to purchase an estimated 100,000 heads, per day, of poultry products, for a period of 120 days.

WHEREAS, the NTA has existing PhP70 Billion under its Special Account with the Bureau of Treasury as its accumulated share from the tobacco excise tax collection of locally manufactured cigarettes created under Republic Act No. 4155, which may be tapped and utilized for the emergency purchase of over production of agricultural products for storage within a four-month period.

WHEREAS, a private entity has manifested its willingness to provide ready market for the said agricultural products and is willing to post a performance bond to guaranty the purchase of the subject agricultural products after the 4-month period.

BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby authorizes the NTA Management to immediately request for Supplemental Budget from the Department of Budget and Management (DBM) for an amount not exceeding Php500 Million for the emergency purchase of over production of poultry products to be charged against the Special Account of the NTA created under R.A. 4155.

UNANIMOUSLY APPROVED.....”

B. REPORT ON THE STATUS OF CY 2013 PLANTATION OF THE KAKAHUYANG PANGKALIKASAN AT PANGKABUHAYAN (KPP) PROJECT

During yesterday's committee meeting, Mr. Hermogenes A. Galvez reported on the accomplishment as of December 31, 2018 on the survey of 2013 Plantation for the KPP Project. He reported, among others, that the surveyors had completed the survey of 1,858 trees out of the actual 1,839 trees planted or 98.98% accomplishment. He then reiterated the request for the rehiring of the Job Order Hirees for the survey of CY 2014 KPP Plantation.

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

RESOLUTION NO. 1001-2019

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the renewal of the hiring of services of Job Order Hirees/Foresters for the period **January 16, 2019 to April 15, 2019** for the continuation of the conduct of survey of CY 2014 Plantation of the Kakahuyang Pangkalikasan at Pangkabuhayan (KPP) Project.

UNANIMOUSLY APPROVED.....”

C. WITHDRAWAL OF PMFTC INC. FORM THEIR LOCAL PRODUCTION OF LEAF TOBACCO

Dir. Casela expressed his concerns on the withdrawal by PMFTC Inc. on their local production of leaf tobacco. He said that while Universal Leaf Philippines Inc. (ULPI) will take over their existing production areas, however, he asked his fellow Directors on what the NTA can on the implications that it may create such as in terms of prices due to limited competition.

Dir. Salanga said that there will be no effect as ULPI will assume all existing contract growing areas of PMFTC, including the farmers. He suggested that NTA should wait for the formal notice from PMFTC Inc.

D. NTA PROPERTY AT LAS PIÑAS CITY

Atty. Sison informed the Members of the NTA Governing Board that the COA Audit Team Leader visited the NTA Property located at Las Piñas City. He said that the Auditor was able to observed that the NTA property was occupied by informal settlers.

Dr. Lopez suggested to sell the property on "as is, where is" basis despite the pendency of a case. Atty. Sison then recommended for COA to make an appraisal. Dr. Lopez then requested from the NTA Governing Board for authority to hire the services of a third party appraiser.

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

RESOLUTION NO. 1002-2019

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the request of NTA Management to hire the services of a qualified Third Party Appraiser to determine the disposal price of the NTA Property located at Las Piñas City.

UNANIMOUSLY APPROVED....."

V. ADJOURNMENT

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


- a. Committee Meeting - 10:00 A.M., 24 January 2019; and
- b. 93rd Special Meeting - 12:00 noon, 25 January 2019.

There being no other matter to be taken up, and upon motion of Dir. Mendiola, duly seconded by Dir. Trongco, the meeting was officially adjourned at 4:05 P.M.

PREPARED AND CERTIFIED CORRECT:

ATTY. ROBERT A. AMBROS
Acting Board Secretary


ATTESTED:



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



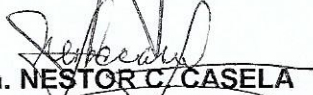
Hon. RODOLFO F. SALANGA
Appointive Director, Tobacco Manufacturing Sector



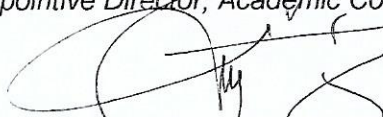
Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector



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



ONE HUNDRED AND TWENTIETH (120th) REGULAR BOARD MEETING OF THE NTA
BOARD OF DIRECTORS HELD AT THE BOARD ROOM, SECOND FLOOR, NTA BUILDING
SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
11 JANUARY 2019, 12:00 NOON

ATTENDANCE SHEET

PRESENT:

1. **Secretary EMMANUEL F. PIÑOL**
Department of Agriculture and
Chairman, NTA Governing Board

2. Undersecretary, **EVELYN G. LAVIÑA**
Dept. of Agriculture-High Value Crop
and Alternate Chairman, NTA Governing Board

3. **Hon. ROBERT L. SEARES, M.D.**
Administrator/Vice-Chairman
of the NTA Governing Board

4. **Hon. RODOLFO F. SALANGA**
Member, NTA Board of Directors

5. **Hon. PEDRO J. MENDIOLA, JR.**
Member, NTA Board of Directors

6. **Hon. TEOFILO R. QUINTAL**
Member, NTA Board of Directors

7. **Hon. WILFREDO C. MARTINEZ**
Member, NTA Board of Directors

8. **Hon. NESTOR C. CASELA**
Member, NTA Board of Directors

9. **Hon. DANILO C. TRONGCO**
Member, NTA Board of Directors

OTHERS PRESENT:

1. **Atty. ROBERT A. AMBROS**
Acting Board Secretary

2. **Dr. CRISTINA G. LOPEZ**

3. **ENRIQUE G. PELA CUIZ**

4. **RAMON R. MUNCAL**

5. **AYONA A. MANGAN ABU**

6. **ROBERTO M. SISON**
