

OFFICE OF THE GOVERNING BOARD

**EIGHTY-NINTH (89TH) SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY
21 SEPTEMBER 2018, 12:00 NOON**

Present:

Hon. ROBERT L. SEARES, M.D.	-	Administrator/Vice-Chairman/Presiding
Hon. PEDRO J. MENDIOLA, JR.	-	Member, Tob. Traders/Exporters Sector
Hon. RODOLFO F. SALANGA	-	Member, Tob. Manufacturing Sector
Hon. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Hon. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Hon. NESTOR C. CASELA	-	Member, Academic Community
Hon. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector

Others Present:

Mr. ENRIQUE G. DELA CRUZ	-	Consultant, DA-High Value Crop
ATTY. ROHBERT A. AMBROS	-	Department Manager III, Regulation Dept. and concurrent Acting Board Secretary
Ms. MA. TERESA B. LAUDENCIA-	-	Department Manager III, Finance Department
Ms. IMELDA N. RIÑEN	-	Department Manager III, FTSD
Ms. ALONA A. MANGANAAN	-	Executive Assistant IV
Mr. RAMON R. MUNCAL	-	Stenographer II

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

The opening prayer was led by Ms. Alona A. Manganaan.

II. CALL TO ORDER

The meeting was called to order at 12:00 noon, with the Vice-Chairman/Administrator Robert L. Seares, M.D., as the Presiding Officer.

III. DETERMINATION OF QUORUM

The Acting Board Secretary declared that there is a quorum for the meeting with the presence of all Appointive Members of the NTA Governing Board. The Acting Board Secretary noted the presence of the following members of the board, to wit:

1. Adm. ROBERT L. SEARES

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 presence of Mr. Enrique Dela Cruz of the Department of Agriculture – High Value Crops and the Department Managers of the NTA were likewise recognized.

IV. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

- A. APPROVAL OF THE AGENDA OF THE 89TH SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD THIS 21 SEPTEMBER 2018 AT THE BOARD ROOM, 2/F NTA BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY**

Vice-Chairman/Administrator Seares presented to the Members of the Board the Agenda for the 89th Special Meeting. Upon motion of Dir. Salanga and duly seconded by Dir. Quintal, the board unanimously adopted the following resolution, to wit:

RESOLUTION NO. 914-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Agenda for the Eighty-Ninth (89th) Special Meeting of the NTA Governing Board held this 21st day of September 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

- B. APPROVAL AND CONFIRMATION OF THE MINUTES OF THE ONE HUNDRED AND SIXTEENTH (116TH) REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 11 SEPTEMBER 2018 AT THE BOARD ROOM, SECOND FLOOR, NTA CENTRAL OFFICE BUILDING, SCOUT REYES STREET CORNER PANAY AVENUE, QUEZON CITY**

The Presiding Officer presented the Minutes of the 116th Regular Meeting of the NTA Governing Board held on 11th September 2018 for their consideration and approval.

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

RESOLUTION NO. 915-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the Minutes of the One Hundred and Sixteenth (116th) Regular Meeting of the NTA Governing Board held on 11 September 2018 at the Board Room, 2/F NTA Building, Scout Reyes Street corner Panay Avenue, Quezon City.

UNANIMOUSLY APPROVED.....”

C. APPROVAL OF THE REQUEST FOR THE CONDUCT OF PUBLIC BIDDING FOR THE PURCHASE OF GEOGRAPHIC INFORMATION SYSTEM (GIS) SOFTWARE WITH AN APPROVED BUDGET FOR THE CONTRACT (ABC) IN THE AMOUNT OF PHP1,095,160.00

The above matter was discussed during yesterday’s committee meeting where Ms. Imelda N. Riñen explained to the committee on Research, Extension and Trading Operations that the subject GIS will be utilized as a component of the Soil and Water Monitoring Project which was previously approved by the NTA Governing Board.

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

RESOLUTION NO. 916-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the request of the NTA Management for the conduct of public bidding for the purchase of Geographic Information System (GIS) Software as a component of the Soil and Water Management Project with an Approved Budget for the Contract in the amount of Php1,095,160.00

UNANIMOUSLY APPROVED.....”

D. NTA PERFORMANCE SCORECARD FOR CY 2019

On behalf of the Ms. Fortuna C. Benosa, Manager, Corporate Planning Department, the Acting Board Secretary explained the need for the approval of the above matter. He said that the Governance Commission for GOCCs (GCG) has required the submission of the said performance scorecard in preparation for the NTA Performance Agreement Negotiation (PAN) with the GCG and the BM. He said that the NTA proposes to increase the targets for the following Strategic Measures, to wit:

1. Yield per hectare which shall be 2,440 kilograms per hectare from 2,400 kgs. or 1.67% increase from 2018 target;
2. Farmer’s Net Income per hectare shall now be Php73,080.00 from Php72,000.00 or 1.5% increase;
3. Target for compliant Exporters/Importers/Transshippers shall be from 87% to 90% or 3% increase;
4. Percentage of Employees meeting required competencies shall be from 12% to 18% or 6% increase; and
5. As for the collection efficiency for the Renewable Energy Project, the target will be the same as 2018 target ~~but~~ the NTA Management will negotiate with the GCG for the ~~decrease~~ ^W of the target percentage due to difficulty in securing DENR permit to cut.

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

RESOLUTION NO. 917-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board hereby approves the proposed NTA Performance Scorecard for CY 2019 for submission to the Governance Commission for GOCCs (GCG).

UNANIMOUSLY APPROVED.....”

E. APPROVAL OF THE PROPOSED INCREASE OF LICENSE, CLEARANCE, INSPECTION, RESEARCH AND REGULATORY, AND COMPETITIVENESS ENHANCEMENT FEES

On motion of Dir. Casela, duly seconded by Dir. Mendiola, the consideration of the above matter was deferred subject to the conduct of public consultation with the concerned sectors of the industry. Atty. Ambros was instructed to provide copies of the proposed increase of fees prior to the schedule of public consultation.

(deferred)

F. CONFIRMATION AND RE-CONFIRMATION OF APPOINTMENTS

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

RESOLUTION NO. 918-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board confirms and reconfirms the appoint of the following appointees, to wit:

- | | | |
|--------------------------|---|----------------------|
| 1. Fortuna C. Benosa | Dept. Manager III | Corp. Planning Dept. |
| 2. Rolando C. Dela Cruz | Supervising Science Research Specialist | TLSD-IRD |
| 3. Imelda C. Parbo | Supervising Science Research Specialist | PDD-IRD |
| 4. Jianne M. Gabriel | Chemist III | QAD-IRD |
| 5. Rosita J. Alcoy | Science Research Specialist II | PDD-IRD |
| 6. Potenciano H. Apilado | TPRO III | La Union Branch Ofc. |
| 7. Wilmer G. Tamayo | Driver II | Administrative Dept. |
| 8. Anthony B. Baytan | Driver II | Administrative Dept. |

*****nothing follows*****

UNANIMOUSLY APPROVED.....”

V. OTHER MATTERS

A. REORGANIZATION OF THE CONSTITUTION OF COMMITTEE CHAIRMAN AND MEMBERS

The Acting Board Secretary requested the NTA Governing Board for the reorganization of the different board committees. He said that the matter is being requested to accommodate Dir. Trongco being a newly appointed member of the board. He said that the NTA Governing Board earlier approved in principle the designation of Dir. Trongco as Chairman and as Member of the different board committees.

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

RESOLUTION NO. 919-2018

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the NTA Governing Board approves the designation of Honorable Director Danilo C. Trongco, to the following Committees, to wit:

- a. Chairman of the Committee on Corporate Social Responsibility *vice* Dir. Wilfredo C. Martinez;
- b. Member of the Committee on Board Audit *vice* Dir. Nestor C. Casela;
- c. Member of the Committee on Corporate Governance *vice* Dir. Nestor C. Casela; and
- d. Member of the Committee on Risk Management *vice* Dir. Teofilo Quintal.

UNANIMOUSLY APPROVED.....”

B. REPORT ON THE DAMAGES ON THE NT RICE PRODUCTION PROJECT CAUSED BY SUPER TYPHOON “OMPONG”

Dir. Casela informed the body on the validity of the typhoon damage report of Ilocos Norte. He said that the NTA cannot expect to collect loan repayment. He then asked how the NTA treated the Php688,000.00 calamity assistance previously given to farmers assisted by the NTA Pangasinan Branch Office.

Ms. Laudencia replied that the amount provided to the NTA Pangasinan Branch Office for Rice Farmers was treated as an expense item taken from the budget allocated for the Risk Management Program.

Dir. Casela said that he asked the question in view of finding ways and means to provide assistance for farmers affected by the recent typhoon and condonation of loan, if possible.

Ms. Riñen reported that as per partial submission of the different branch offices the total damages for rice production summed up to Php78,484,372.00. Ms. Laudencia asked Ms. Riñen on the amount considering that the NTA released only Php30 Million for Rice production. Ms. Riñen explained that the branch offices submitted the estimated rice production on a per kilogram basis.

Ms. Laudencia said that there is still remaining Php3.4 Million from the Risk Management Program, plus remaining subsidy portion from Rice Production project in the amount of Php6.9Million and another remaining subsidy for tobacco in the amount of Php29.5 Million. She further said that there is unreleased portion from the Curing Barn Assistance Project in the amount of Php29 Million. However, she said that for the unutilized portion of the rice production fund, it cannot be used as a calamity assistance because it is specifically allocated for loans.

Dir. Casela suggested that NTA should not use the CBAP fund because there were also reports that some curing barns were also damaged by the typhoon.

Ms. Laudencia added that there is still financial assistance for hygrometers and curing graphs, because if these items will not be purchased within the year, it can be used as calamity assistance fund. Ms. Riñen said that there is still need to purchase the items. Dir. Casela joined Ms. Riñen for the need of this facility assistance to enhance quality production.

Dir. Quintal clarified from Ms. Laudencia if there is an existing government regulation to provide 10% of the total agency budget for calamity fund. Ms. Laudencia replied that under RA 4155 where the funds for the NTA projects were taken are allocated for specific projects only and it can be used only for the expenditures submitted to and approved by the DBM.

Dir. Salanga asked if the NTA can request for supplemental budget for calamity assistance. Ms. Laudencia replied that the NTA can request from the DBM, however, DBM will verify the budget utilization of NTA which is below the targets. He also suggested if NTA can extend the repayment period and to amend the guidelines of the TCGS project to remove 85% repayment for Rice Production from the list of criteria/qualification for farmer-availees for TCGS project.

Dir. Mendiola asked clarification if NTA is mandated to return the unexpended amount to the DBM if not used within the year. Ms. Laudencia replied that for FY 2018, the NTA, as a GOCC, is not mandated to return the unexpended budget and it can be carried over in the next fiscal year. Ms. Laudencia further said that only National Government Agencies and LGUs are required to revert their unexpected funds. However, she cautioned the board that for FY 2019, any unexpended budget will now be required to be reverted to the National Treasury.

Ms. Riñen informed the board that some branch offices were not able to submit their reports on damages due to lack of electricity and internet connection.

Ms. Laudencia said that she will still have to recompute the excess funds to be used for calamity assistance.

Dir. Casela then instructed Ms. Riñen to prepare the memorandum to the Branch Offices on what was discussed in the board meeting.

C. TCGC PROJECT FOR CY 2018-2019

Dir. Casela mentioned on the TCGS report of Ms. Riñen with an estimated area of 1,769 hectares with 2,789 farmer-cooperators. He related this to the plan of a private sector to increase the tobacco production areas and he sees that this report is inadequate based on the 20:40 quota per extension worker. He then instructed Ms. Riñen to urge the Branch Offices to comply with the minimum quota. Ms. Riñen replied that she will prepare the memorandum, however, the branch offices have concerns for their EWs who are assigned full time with certain buyer firms which is not included in the computation for the NTA TCGS.

With respect to Cagayan and Isabela BOs, Dir. Casela said there was already an agreement of the members of the board that the NTA can utilize the farmers recruited by Universal Leaf Philippines Inc., considering that NTA will now shoulder the farm inputs and cash portions of ULPI farmers on a sharing scheme.

Dir. Salanga asked Ms. Riñen on her timeline to submit her final report. Ms. Riñen replied that she will have the final report on Monday.

D. SEEDLING PRODUCTION PROJECT

Dir. Salanga asked for an update from Ms. Riñen on the Seedling Production Project. Ms. Riñen replied that some branch offices are being required by their respective COA Auditors to subject the purchases through posting with the PhilGEPS.

M. Laudencia suggested for the itemization of the components of the project so that it will not go beyond 50,000.00 per item wherein it can be purchased through shopping, otherwise, it will be through canvass from at least three (3) known suppliers.

Ms. Riñen was requested to discuss the matter with the branch managers during their meeting on Monday.

D. PUBLIC BIDDING FOR THE PURCHASE OF HAND HELD TRACTORS

Ms. Laudencia replied to the query of Dir. Salanga that the invitation to bid for the purchase of hand held tractors was held in abeyance due to the issue on the price per unit which was originally Php235,000.00, per unit. The NTA Governing Board confirmed to retain the amount of PhP235,000.00 per unit.

Dir. Casela said that under the guidelines, the recipient of the project should be farmers' cooperatives or associations. However, he asked if an individual farmer who is also a member of the cooperative or association can avail of the assistance. He then moved for the amendment of the guidelines to include individual farmer who are member of farmers' cooperative or associations, for which the board unanimously approved.

VI. ADJOURNMENT

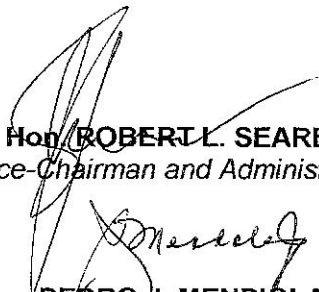
On motion of Dir. Mendiola, duly seconded by Dir. Salanga, the meeting was officially adjourned at 12:30 P.M.


The NTA Governing Board agreed to schedule the next committee meeting on October 11, 2018 and the next Board Meeting on October 12, 2018.


PREPARED AND CERTIFIED CORRECT:



ATTY. ROHBERT A. AMBROS
Acting Board Secretary

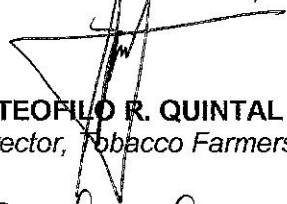
ATTESTED:



Hon. ROBERT L. SEARES
Vice-Chairman and Administrator



Hon. PEDRO J. MENDIOLA, JR.
Appointive Director, Tobacco Traders/Exporters 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


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