



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
3rd & 4th Floor, Ben-Lor Building, 1184 Quezon Ave., Quezon City
Tel No. (02) 8374-3987 / Fax. No. (02) 8374-2505 / website: nta.da.gov.ph
ISO 9001: 2015 QMS CERTIFIED

OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND FIFTY FIRST (151ST) REGULAR MEETING (VIRTUAL)
OF THE NTA BOARD OF DIRECTORS, HELD AT THE BOARD ROOM,
3/F BEN-LOR BLDG., 1184 QUEZON AVENUE, QUEZON CITY
04 APRIL 2022 (1:00 PM)**

PRESENT:

Secretary WILLIAM D. DAR, Ph.D.	-	Secretary of Agriculture and Chairman, NTA Governing Board
Adm. ROBERT VICTOR G. SEARES, JR.	-	Vice-Chairman of the Board and Administrator/CEO
Usec LEOCADIO S. SEBASTIAN, Ph.D.	-	CESO I - Chief of Staff/Ex-Officio Member
Dir. JESSE PAT M. SERNA	-	Member, Manufacturing Sector
Dir. NESTOR C. CASELA	-	Member, Academic Community Sector
Dir. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Dir. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector
Dir. WILSON R. VICTORIO	-	Member, Trader/Exporter Sector

OTHERS PRESENT:

Engr. CESARIO G. SAMBRANA	-	OIC/Deputy Admin. for Operations
Atty. JUN FRED V. PARADO	-	Legal Officer V, Office of the Admin.
Ms. FORTUNA C. BENOSA	-	Manager, Corplan Department
Atty. ROBERT A. AMBROS	-	Manager, Regulation Department
Ms. DINAH E. PICHAY	-	Manager, Internal Audit Service
Mr. RAMON R. MUNCAL	-	Stenographer III
Mr. REX ANTONIO P. TEOXON	-	Board Secretary V

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Atty. Jun Fred Parado, Attorney V of the Office of the Administrator, led the opening prayer.

II. CALL TO ORDER

The Honorable Secretary called the meeting to order at 1:05 PM, after a little preliminary. He asked the Corporate Secretary if there is a quorum.

III. DETERMINATION OF QUORUM

The Corporate Secretary reported that for today's meeting, present are the Honorable Administrator/CEO and Vice-Chairman of the Governing Board, Robert Victor Seares, Jr., Honorable Undersecretary and Chief of Staff, Leocadio Sebastian, the Honorable Directors Nestor Casela, Teofilo Quintal, Jesse Pat Serna, Wilson Victorio and Danilo Trongco. He informed that Director Wilfredo Martinez has connected through his office in Pasay City.

1
2
3
4 He declared that with all the members present, there is a quorum for the 151st meeting
5 of the NTA Governing Board.
6

7 **IV. APPROVAL OF THE AGENDA OF THE 151ST REGULAR MEETING OF THE NTA**
8 **GOVERNING BOARD, HELD AT THE BOARD ROOM, 3/F BEN- LOR BLDG., 1184**
9 **QUEZON AVENUE, QUEZON CITY**

10
11 Moving forward to the approval of the Agenda, the Honorable Secretary immediately
12 called for a motion to approve. Director Trongco moved and Director Casela seconded
13 the motion to approve the Agenda.
14

15 The NTA Governing Board, then, adopted the following resolution, to wit:

16
17 **RESOLUTION NO. 2130- 2022**

18
19 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the**
20 **NTA Governing Board approves the Agenda of the 151st Regular**
21 **Meeting (Virtual) of the NTA Governing Board held this 04 April 2022,**
22 **at the NTA BOARD Room, 3/F Ben-Lor Bldg., 1184 Quezon Avenue,**
23 **Quezon City.”**
24

25 **UNANIMOUSLY APPROVED**
26 -----
27

28
29 **V. FOR APPROVAL/CONFIRMATION/CONSIDERATION:**
30

31 **A. MINUTES OF THE 106TH SPECIAL MEETING OF THE NTA GOVERNING BOARD**
32 **HELD ON 11 MARCH 2022, AT THE BOARD ROOM, 3/F BEN-LOR BLDG., 1184**
33 **QUEZON AVENUE, QUEZON CITY**
34

35 As has been in the previous Board Meetings, the Honorable Secretary reminded
36 that they have the rules to follow in the approval the minutes. They approve the
37 Minutes, subject to the submission by any Member of the Board of any correction
38 within five (5) days from this meeting.
39

40 Asking for a motion, the Honorable Administrator moved for the approval and
41 Director Quintal seconded the motion.
42

43 For the purpose, the NTA Governing Board adopted the following resolution, to
44 wit:
45

46 **RESOLUTION NO. 2131- 2022**

47
48 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA**
49 **Governing Board approves the Minutes of the 150TH Regular Meeting of the**
50 **NTA Governing Board, held last 11 March 2022, at the Board Room, 3/F Ben-**
51 **Lor Bldg., 1184 Quezon Avenue, Quezon City, subject to submission by any**
52 **Member of any correction within five days from this meetingtoday.”**
53

54 **UNANIMOUSLY APPROVED**
55 -----
56
57
58
59



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59

B. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETINGS:

1. REPORT UPDATE (IF EVER): EXTENT OF COVERAGE OF THE PHP200 MILLION (M) FROM THE DPWH - PHASE I OF THE CONSTRUCTION OF THE NTA BUILDING VIS-A-VIS APPROVED DESIGN

The Hon. Administrator reported that he just talked with the DPWH-NCR, which was said to be in the midst of, and encountering difficulty in the re-computation of the materials to be used (in the construction of the building).

Somehow, they were giving some idea as to the extent of coverage of the amount. The Hon. Administrator, however, advised that *“our Secretary will not accept that kind of explanation without the proper documentation and signed by Regional Director of NCR”*.

They informed that **within two-week time, they will already start the bidding process** for the Php200M. They told the Administrator that, structurally, **the amount will cover about six to eight floors.**

The Hon. Secretary informed that “it would be good, before the start of the bidding, but the same should be the function by NTA Governing Board so that the process is properly observed, the plan should be approved first, kahit Referendum na lang. Ang pwede natin gawin, Special Meeting to tackle how the Php200M will be utilized. The same requirement is needed, we can tell them that they cannot go ahead with the bidding without the approval of the NTA Governing Board.”

He immediately directed to proceed to the next item.

**2. REPORT/UPDATE ON THE FOLLOW-UP OF VARIOUS REQUEST FROM AGENCIES RE THE STEP:
a. ENDORSEMENT OF STEP BY THE REGIONAL DEVELOPMENT COUNCILS (RDC);
b. REQUEST FOR FUNDING FROM THE DBM.**

The Hon. Administrator introduced the topic and called for the Corplan Manager, Fortuna Benosa, to present.

Ms. Benosa made a slide presentation showing that last March 30, she, together with the DAOP, presented in the RDC Meeting, the STEP (Sustainable Tobacco Enhancement Program). She reported the RDC will be endorsing the STEP to the DBM. They will just be waiting for the Resolution from RDC I.

She reported, likewise, she included in the presentation the Php2,06,394,000.00 budget proposal for Region I, which was also approved in the same meeting. The Php2.5B in Tier 2 in the budget, during the NTA hearing for 2023 on 16 March 2022, as presented by the DASS, will be further presented to the DA during the Technical Budget Hearing, which started April 4-8.

She informed further that on the part of DBM, **they are currently preparing the required supporting documents, in coordination with the Operations Group, in preparation for the submission to the DBM.** The items to be included in Tier 2 of the 2023 proposal, with total of Php972M, as proposed from the locally funded projects, which include: Tobacco Farmers Assistance, Php387M; Emergency Cash

1
2
3 Assistance, PhP50M; Curing Barn Assistance Project, PhP417M; and, also, General
4 Administration and Support Services, where NTA was proposing for additional
5 amount for our CPCS (Compensation and Position Classification System). Also
6 under operations, the target (here) in GAD and operations, all for additional PS for
7 the new projects. They are proposing, too, additional stocks and livestock production
8 assistance, PhP94M; Tobacco Farm Mechanization (required machinery and
9 equipment), PhP393M; Irrigation Support, PhP59M; Farm Machinery and
10 Equipment?, PhP113M; Hauling Equipment, PhP299M; ?Production Project,
11 PhP73M; Equipment for Tobacco Grading, PhP48M, for the Tier 1 proposal that
12 DBM will be providing to NTA. The **total budget** to be proposed will be **PhP3.226B**.

13
14 The Hon. Secretary commented "*Hindi ko po nakita iyong tulong natin sa mga*
15 *magsasaka. You have to **balance fertilization**. Aren't you going to help them? Ano*
16 *pa ba technologies sa tobacco that could be supplemental - Bio-Stimulant, bio-*
17 *fertilizers, even organic fertilizers, where are we to guide balance? **This is in***
18 *relation to the problem that we have inorganic fertilizer today in the market.*
19 ***What are the program support in this relation for next year?**"*.

20
21 Manager. Benosa replied, they have additional proposal and referred to the DAOP
22 to give additional information. The DAOP affirmed NTA has a program, the balanced
23 tobacco contract growing. He said it will be included in the farm plan and budget,
24 included in the production assistance. When the Hon. Secretary asked how much
25 was the budget for fertilization, the DAOP replied, out of PhP50,000.00, about
26 PhP25,000.00, that covers organic fertilizers, Bio-Stimulant, and crop protection
27 agents.

28
29 When the Hon. Secretary clarified about the budget, DAOP explained, it is
30 PhP50,000.00 per hectare, average for all tobacco types, as budgeted under the
31 TCGS and Integrated Farming and Other Income Generating Project (IFOIGAP).
32 Asked by the Hon. Secretary whether this is the cost of production, the answer was
33 no as this is the Maximum Production Assistance that the NTA is giving, to cover
34 land preparation, gas and oil, seedlings, inorganic fertilizers, pesticide and
35 fuelwood. When the Hon. asked for any other question, Director Quintal asked
36 whether there are budgets for green houses, which the Hon. Secretary emphasized
37 as important to support the seedling production and for other purposes in agriculture,
38 after seedling production. That is the importance he concluded.

39
40 DAOP explained that this is included in the Investment Outlay presentation of
41 Manager Benosa. This is important because it will address the problem during the
42 time calamities. The Hon. Secretary agreed, saying NTA can produce seedling in
43 time of planting of tobacco. DAOP added that the green housed will be used to
44 produce buffer seedlings in case of freak rains that occur in January and February.
45 Director Quintal guessed it will be PhP120,000.00 each per cluster. Hon. Secretary
46 however commented it will be good for Management to study carefully the number
47 of years, not one year, to put up all the green houses.

48
49 DAOP explained that initially, there will be one green house for every block farm to
50 stabilize production of tobacco. Asked by the Hon. Secretary on the hectareage per
51 block farm, DAOP replied, minimum of 50 hectares, where production of seedlings
52 was intended.

53
54 With the Hon. Secretary asking for other observations or suggestions, the COS
55 asked about the current recommendation for fertilization.

56
57 DAOP replied that there was this finding about this bio-stimulant which they would
58
59

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

like to implement in the coming cropping season. The recommendation is to substitute 25% with bio-stimulants, based on the findings that the same volume of tobacco can be produced, with said adjustment. This will not be totally adopted, but only for some farmers in the block farm. COS asked whether they are small or large, DAOP responded, large and semi-large scale of the 143 block farms. COS asking whether there is a budget for that, DAOP answered yes, as this will just be a substitute to reduce cost.

At this juncture, the Hon. Secretary declared it will be good that in the next Board Meeting to present the potential combinations that have been tested, prior to these crises (situations) so that everyone will be "in the technology" and that "we can now better appreciate itong balanced fertilization strategy in tobacco. Can you make a presentation on that?" DAOP replied yes, he will make the presentation in the next Committee and Board meetings.

Just to complete his instruction, Hon. Secretary said if there is this balanced fertilization, there should be balanced certified crop protection use strategy on tobacco. These two items, in one document to be presented in the next Board Meeting. DAOP immediately responded "Yes, Sir. We will present in the next meeting of the Committee and the Board".

Hon. Secretary then asked for any question or clarification from the Members of the Board on the STEP, as the discussion is still on the STEP. He conveyed his understanding that the NTA is budgeting here only PhP5B as component of the STEP, then asked about the other Regions that also have the tobacco industry, as only Region I has approved. Manager Benosa explained that Region 1 budget was only PhP1.6B, so the rest of the PhP3.2B was for the other tobacco growing regions.

Hon. Secretary affirmed and directed to proceed to the next item as there are no other questions or clarifications from other Members of the Board.

3. REPORT/UPDATE ON THE EXECUTION/IMPLEMENTATION OF THE DECISION OF THE GOVERNING BOARD TO IMPOSE PENALTY/IES TO AGRI. INPUT SUPPLIER, PURSUANT TO RESOLUTION NOS. 2108-2022 AND 2109-2022, PER RESOLUTION NO. 2118-2022 OF 11 FEBRUARY 2022, SUCH AS:

- a. **COMPUTATION OF LIQUIDATED DAMAGES, PURSUANT TO EXISTING LAWS, BY FINANCE AND IAS TEAM, PER AUDIT & FINANCE COMMITTEE'S REQUEST; AND,**
- b. **CONDUCT OF INVESTIGATION AND SUBMIT RESULT TO THE BOARD FOR ITS CONSIDERATION/DECISION- RESPONSE OF SUPPLIER TO THE "SHOW CAUSE ORDER"**

The Hon. Administrator introduced the item and called on the BAC Chairman, Atty. Rohbert Ambros present.

Atty. Ambros explained that pursuant to the instructions of the Governing Board, the BAC submitted it computation of the liquidated damages against LEADS Agri, amounting to PhP237,00, which upon the re-computation of the Finance Group, the amount was adjusted to PhP252,816.92. This was formally submitted for consideration of the Hon. Governing Board and will be deducted from the sales of the supplier.

For the conduct of the investigation, he said the BAC has already received the response of the Agri supplier/Contractor from the BAC's Show Cause Order but they are still drafting their report, the final result of which will be presented in the next Committee Meeting, for the Board's consideration.



1
2
3
4 The Hon. Secretary verified whether the BAC investigation is still on-going and there
5 is no final recommendation yet to be given to the Board. Atty Ambros replied "Yes,
6 Your Honor", informing further that they already had a conference last March 30, but
7 they are still drafting the written decision (recommendation?) to be submitted to the
8 Board for approval. .
9

10 Hon. Secretary expressed his understanding of the reminders from the Board for
11 the investigation. As recognized by the Hon. Secretary, Director Casela informed
12 that he requested the personal appearance of the official representative of LEADS
13 Agri, the input supplier, to be present in the Committee Meeting on Wednesday,
14 (April 6) for the purpose of making the Resolution, for consideration in the next Board
15 Meeting. The Hon. Secretary commented there should be a good/through
16 investigation so that, we, who were affected, should not be taken lightly ("Baka
17 maging regular na gawain na ito"). As it has already been known that planting is
18 only once a year, everything should advanced so that planting will not get affected.
19 This should be put into consideration during the investigation, as they were given
20 on time.
21

22 The COS interjected, saying he was wondering what is the investigation for, as there
23 was already a penalty based on the contract with NTA. He asked wat is NTA
24 investigating. NTA should only apply the Procurement Act. What should be
25 investigated - is it going to accommodate the supplier or just going to impose the
26 penalty?. There are already violations of the contract. This is a matter for the BAC
27 to impose to the supplier.
28

29 Atty. Ambros explained, one is the computation of the liquidated damages and
30 another one is the declaration of blacklisting of the company. The COS repeated his
31 questions what should be investigated and why should they be investigated. Atty.
32 Ambros replied, it is about the blacklisting, whether or not to allow again the
33 company from participating in the future, due to the violation of the company for the
34 late deliveries.
35

36 Asked by the COS why should the company be or not be blacklisted, Atty. Ambros
37 answered, to investigate if the delay delivery is intentional on the part of the supplier,
38 if the supplier defaulted, that will be for the blacklisting. Asked by the COS how will
39 they determine that, Atty. Ambros replied it depends whether there are
40 circumstances on the imported fertilizers or crop protection agents, because the
41 majority of the supplies are imported. The COS repeated, the investigation is only
42 for the blacklisting. That will be the penalty. Atty. Ambros said BAC already
43 submitted its recommendation and that was already final. COS supposed this is to
44 be within the BAC and no need for the BOARD there. Atty. Ambros replied, per
45 instruction of the Board, the BAC should submit its recommendation for its
46 consideration.
47

48 Hon. Secretary declared that the penalty was already finished. That will be for
49 implementation now. Whether to blacklist or not, the BAC should study carefully
50 and come back to the Board for final approval or disapproval, based on the
51 investigation on the account, to blacklist or not.
52

53 Director Martinez interposed if he was not satisfied on the investigation of Atty. Bob,
54 can he ask for another agency to do the investigation.
55

56 Hon. Secretary replied it should be resolved by Management first then come-up with the
57 Board for final disposal. We will not involve another party, if the Board has not acted yet.
58
59

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63

If the Board will not be satisfied, that can be another option. **Hon. Secretary said he believes even Management can decide and just inform the Board next time around.** If the Management will do otherwise, then approval of the Board. The (outside involvement?) that's another option.

The COS commented that the BAC will evaluate, not to finalize the blacklisting, then they should impose the penalty. He continued, *"I would like the Management to approve that consideration/ recommendation and evaluate the reason. Then, the Administrator have the decision. We can consider it in the Board."*

Hon. Secretary declared that *the penalty has been resolved that the company faces the penalty as per law. That should not be discussed again. But what will be discussed is whether to blacklist or not. It could be appreciated initially by the BAC with this investigation, then the decision of the Committee and approved upon by Management, according to law and existing guidelines. Otherwise, if there will be complaints from other suppliers that were also monitoring, then Management should tap the Board.*

(Anent the above, it may be noted that early on in the Committee meeting:

- a. The Joint Board Committee (of whole) has confirmed the recomputed liquidated damage (equivalent to 1/10th of 1% of the value of undelivered agricultural inputs, per day of delay), amounted to PhP252,816.92. BAC's initial estimate was PhP237,051.44, computed from January 16, 2022 to March 03, 2022.
- b. Director Casela and Hon. Administrator conveyed initial findings, comments and positions (cum appeal):
 - That supplier/company was not totally at fault/blameworthy?:
 - It is not their own making but due to the port congestion, resulting from the pandemic
 - They acknowledged that the supplier went to the extent of buying from other suppliers, at higher cost, to cover up for the delay, but has not fully met requirement
 - hey acknowledged, too, that the supplier, for the last fifteen (15) years, has been an active partner of NTA in its Protocol Research, to find tobacco grade fertilizers, pesticides, growth stimulants and others for improving quality tobacco yield and increasing income for the farmers.
 - Therefore, they would like to give one last chance to the agri. Input supplier -
 - ❖ By giving the company a reprimand and stern warning, for the last time;
 - ❖ But it will not be "blacklisted".

Others expressed their understanding/agreement/support to the Administration's position, Directors Quintal (while stating the adverse consequences of the delay), Serna (understanding the circumstances), Tongco (for humanitarian reason) and Victorio (as has already been discussed previously).

In consideration of the foregoing, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 2132- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board confirms the recomputed liquidated damage, to be imposed against the agricultural input supplier/contractor, amounted to PhP252,816.92; and that, with the investigation conducted to determine whether or not to blacklist the said supplier/contractor, it could be appreciated initially by the BAC, then the decision of the Committee and approved upon by Management, according to law and existing guidelines. Management should tap the Board, if there will be complaints from other suppliers that were also monitoring."

UNANIMOUSLY APPROVED

1
2
3
4 **4. REPORT UPDATE: PRESENTATION OF MANAGEMENT'S RECOMMENDATION ON**
5 **THE REQUEST OF TCGS FARMERS OF PILAR, ABRA (ASSISTED BY LGUS / T.**
6 **BUYER FIRMS) FOR AN ADDITIONAL 20% SUBSIDY FROM THE NTA.**
7

8 After introducing the topic, Hon. Administrator called on the DAOP to give his final
9 report.

10
11 DAOP explained that this pertains to the request of the tobacco farmers of Pilar,
12 Abra to increase the subsidy from 20% to 40% for the cash component provided by
13 NTA. The request was discussed with Management, which opined that this will serve
14 as precedent for farmers from other locations to follow; and, therefore, will become
15 financial problem for NTA, noting that the approved budget from 2021-2022 has
16 already been indicated for other purposes. It was, therefore, recommended to
17 suspend (?) the approval of the request. NTA will just talk to the LGU for possible
18 funding through their excise tax entitlement from their RA 7171. The Management,
19 therefore, recommended, not to grant the request at present, it will delay its
20 response.

21
22 With the Hon. Secretary asking for any discussion, he Hon. Administrator informed
23 that for the matter, he would like to talk to the LGU of Abra, to ask for help for these
24 farmers. As the Mayor of this town was said to be very controversial lately, they, as
25 discussed with the DAOP and ABRA Manager, deemed wise not to talk to him (yet?).
26

27 The Hon. Secretary, after asking for any other comments/observation on the
28 proposal, instructed that because of budget constraint, we will study the request for
29 further consideration starting 2023. NTA notably has tapped all its budget already,
30 so it cannot adjust now because the repercussion. It is a big amount. He said, "*I*
31 *think your recommendation, the request is denied and will study the matter to be*
32 *implemented in the future; and, number 2, is working with LGU concerned, to tap off*
33 *what was already given by NTA because they have the RA 7171.*" Saying okay, he
34 moved forward for any discussion.
35

36 The Hon. Administrator volunteered the information that the Municipality has a big
37 earning from the tobacco excise tax. With that very big amount, maybe they can
38 well afford to support the 324 farmers. The Hon. Secretary agreed, after which he
39 asked for any move or a motion towards what they have presented.
40

41 Addressing the Chair, Director Quintal moved to deny the request of Pilar, Abra
42 farmers for additional subsidy at present; and, yet, on the second option, that we will
43 be considering in assisting them on their request. Hon. Secretary clarified that the
44 addition to No, 1 is "Study will be made accordingly". He then asked for a second to
45 the motion, to which Director Casela immediately responded.
46

47 For the purpose, the NTA Governing Board adopted the following resolution:
48

49 **RESOLUTION NO. 2133- 2022**

50
51 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the NTA
52 **Governing Board deny, at present, the request for the increase in the subsidy,**
53 **from 20% to 40%, of the farmers of Pilar, Abra; and that, a study should be**
54 **made accordingly on the implementation of same in the future."**
55

56 **UNANIMOUSLY APPROVED**
57 -----
58
59

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

C. REPORT ON THE STATUS/UPDATE AND DETERMINATION OF NTA'S NEGOTIATING POSITION ON THE FOLLOWING:

- a. **RENEGOTIATION OF MEMORANDUM OF AGREEMENT BETWEEN PHILRICE AND NTA RE THE USE/ MANAGEMENT OF THE NTA RESEARCH AND TRAINING CENTER BUILDING COMPLEX (BATAC CITY); AND,**
- b. **RESPONSE TO THE LETTER OF MMSU PRESIDENT SHIRLEY AGRUPIS RE REQUEST OF PHILRICE TO CONSTRUCT SEED WAREHOUSE AT THE NTA COMPOUND/PROPERTY?**

The Hon. Administrator informed that pertaining to the above, *"we have already received your recommendation as per your instruction, is to push through. I do not see any further discussion."*

The Hon. Secretary replied, *"we are just One Family. That is the principle that we would like to adopt here, para happy lahat."*

Answering *"Yes, Sir"*, the Hon. Administrator related that he personally visited the Municipality of Piddig, where he also met Dr. Santiago Obien, where they had a good conversation on the matter. The Hon. Secretary, then, directed the Board to confirm its agreement to allow the PhilRice to construct the Seed Warehouse. When he asked for a motion, Director Casela moved, in consideration of the spirit of unity among the agencies, and the Hon. Administrator seconded the motion to approve/to allow PhilRice the construction of the Seed Warehouse at the NTA Batac Branch Office.

The Hon. Secretary, then, declared *"With that, we already have unity. Dapat Unity"*

At this juncture, the COS interjected that in consideration of NTA, he thinks *"We should indicate "for common use also", NTA can also use this building."* The Hon. Secretary replied, *"Dapat lahat, dapat common use facility"*. Then thanked everyone before proceeding to the next item.

For the purpose, the NTA Governing Board adopted the following resolution:

RESOLUTION NO. 2134- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves/confirms to allow the PhilRice to construct its Seed Warehouse at the NTA Batac Branch Office (compound); and that, in consideration of NTA, it will be indicated "for common use" facility, that NTA can also use."

UNANIMOUSLY APPROVED

D. APPROVAL OF THE AWARD FOR CONTRACT FOR THE PROJECT: "SUPPLY AND DELIVERY OF SEVENTY-FOUR (74) UNITS OF LAPTOP COMPUTER FOR THE USE BY THE OFFICIALS AND EMPLOYEES OF THE NTA CENTAL OFFICE AND BRANCH OFFICES" (PB NO. 2021-06A), IN FAVOR OF JONECO TECH MARKETING CORP., WITH THE SINGLE CALCULATED AND RESPONSIVE BID (SCRB) IN THE TOTAL AMOUNT OF PHP4,239,460.00.

The Hon. Administrator introduced the agenda and called the Committee Chair (Audit and Finance), Director Casela to present. Director Casela, however



1
2
3 requested the BAC Chairman, Atty. Ambros, for the presentation of details.
4

5 Atty. Ambros reported that the request for approval by the Honorable Board is for
6 the supply and delivery of laptop computers for the use of the CO and Branch
7 Offices. He said that the bidding was conducted with only one prospective bidder,
8 Joneco Tech Marketing Corporation, which offered PhP4,239,460.00 for the 74
9 laptop computer units. After the evaluation, pursuant to the Government
10 Procurement Act, the BAC found the bid offer below the approved budget. They
11 are now, therefore, recommending for the approval of the award to that company,
12 for its single calculated and responsive bid (SCRB) in the amount of
13 PhP4,239,460.00, for the supply of 74 laptop units.
14

15 Asked by the Hon. Secretary for any discussion or motion, Director Casela moved
16 and Director Trongco seconded the motion to approve the award of contract to the
17 Joneco Tech Marketing Corp as recommended by the BAC.
18

19 The NTA Governing Board therefore adopted for the purpose the following
20 resolution, to wit:
21

22 **RESOLUTION NO. 2135- 2022**
23

24 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the
25 NTA Governing Board approves the Award of Contract to Joneco Tech
26 Marketing Corporation for the Project: Supply and Delivery of 74 Units
27 of Laptop Computer, for the Use by the Officials and Employees of the
28 NTA Central Office and Branch Offices", with its Single Calculated and
29 Responsive Bid (SCRB) in the amount of PhP4,239,460.00".
30

31 **UNANIMOUSLY APPROVED**
32 -----
33
34

35 **E. APPROVAL OF THE AWARD OF CONTRACT FOR THE PROJECT: SUPPLY**
36 **AND DELIVERY OF:**

- 37 **A. ONE (1) UNIT ArcGIS ON LINE CREATOR TERM LICENSE (2) YEARS; AND,**
38 **B. ENVI REMOTE SENSING / IMAGE PROCESSING SOFTWARE FOR DRONE**
39 **MAPPING (CONCURRENT PROCESSING PERPETUAL LICENCE**
40 **SOFTWARE AND CROP SCIENCE MODULE PERPETUAL LICENSE**
41 **SOFTWARE WITH 4 DAYS FREE TRAINING FOR 5 PARTICIPANTS),**
42 **(PR2203-004), IN FAVOR OF THE EXCLUSIVE DEALER, GEODATA**
43 **SYSTEM TECHNOLOGIES, INC. WITH, QUOTATION/ PRICE OFFER IN THE**
44 **AMOUNT OF PHP2,210,000.00.**
45

46 Hon. Administrator introduced the topic and called on Director Casela to present the
47 summary of discussion and recommendation.
48

49 Hon. Secretary recognized Director Casela, who, he asked for any discussion or
50 additional information. Director Casela started narrating that each particular item
51 cropped up on the instruction/ presentation of the project documentation of tobacco
52 production of the LGUs. He then called for the Manager of FTSD, Engr. Aurellano
53 for the purpose and how the unit is going to be used.
54

55 Engr. Aurellano reported that in 2017, there was this conduct of General Information
56 System Project fertility and Data collection of actual area planted and its location.
57 This is a project of Sec. Piñol to address climate change. However, tobacco is not
58 included in the national cropping. In 2020, the use of the program expanded of NTA
59

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59

Project tobacco related activities of all tobacco farmers. This was piloted in Ilocos Norte and was expanded to all branches. With the use of ArcGIS, we can add geographical identification videos and other medium of all the NTA Projects and the facilities in the block farm in the tobacco provinces. We can also generate application this year, with the use of ArcGIS. With the expiration of the license by this time, all the data gatherings is temporary suspended. With this data gathering program in analyzing by the drone machine this started with ArcGIS will be published on-line.

Hon. Secretary asked when was the first time to do this. Engr. Aurellano replied, during the tobacco season so they can also measure the area. With the drone machine, we can also use the machine for fertilizer application. The Hon. Secretary added you can also use even interrelationship in every type, to which Engr. Aurellano agreed.

The Hon. Secretary asked what is the plan of NTA in regards to having soil analysis for tobacco farms. Engr. Aurellano answered they started in the Virginia provinces, soil mapping, fertility. Hon. Secretary inquired whether NTA has a laboratory. Engr. Aurellano said yes, in Batac. Asked again whether NTA is updated with state of the art equipment, Engr. Aurellano replied, maybe IRD, but for the 500 soil samples, that was programmed for this year.

Hon. Secretary affirmed saying that's true, because the equipment is not updated. He added that he would like NTA to really have the opportunity within the year to upgrade its laboratory facilities. We are in a normal environment and (need) scientific data, the water management, soil mapping, because they have a project nationwide. They have upgraded the regional laboratories. We need state of the art equipment, not that one which will take one year to produce results. Php50M to replace the old laboratory equipment of NTA. With the Hon. Secretary asking for any discussion, the COS asked whether are there any Member of the Board who was able to see the output of the group using that software, that cost Php1M a year. The Hon. Administrator replied he was able to take a look of that software but, not in our FTSD Office, but in the Municipality of Piddig. He said he was was able to see in their map, how their lands were divided, then when you press the button, you can see the application of frontliners, to be used in that particular land, including the soil analysis. Hon. Administrator said he was very impressed with that kind of technology. They are willing to help NTA but the Hon. Administrator said we need to collaborate with the Municipality, which is very advanced with the kind of technology they are using now. The COS:explained he was asking because NTA should have the expertise/ capability before it can be able to proceed. If NTA does not have, that software is very expensive for it to be subscribing every year. He said what he was for large scale application, but if NTA will be doing this with some of its staff (only) trying to learn to use GIS, it will be very expensive for the NTA. NTA should have outputs for the last two years you been subscribing, is anybody have seen their output for the past two years. He then asked again if any of the Members of the NTA Governing Board was able to see the outputs, like that one in Piddig or wherever.

The Hon. Secretary directed the question to Engr. Aurellano, referring to their report using the apps in the past. Engr. Aurellano replied, usig the apps they have already determined the soil type from Virginia producing provinces. They have already developed color coded maps which were presented last week, where it was also used in I. Norte mapping of sources of fuelwood and farm size and machineries and data computation.

The Hon. Secretary asked, according to COS is there a group in the NTA to continue this work, so that its investment will not be wasted. Engr. Aurellano replied that there

1
2
3 is one expert at the FTSD who is the one training the representatives from the 8
4 branches. Hon. Secretary commented if something bad happen to him, we lose. It
5 should be a team, not only 1. This is a good turn for the future.
6

7 DAOP, at this point, volunteered the information that there is already a Memorandum
8 of Understanding between NTA and ULPI research on the use of drone to many
9 aspects of tobacco production. Under the Memorandum, ULPI will train NTA staff
10 for the use of drone. Each branch office will have 2 representatives. DAOP added
11 what they are contemplating to do is to present the output in the Committee Meeting,
12 for the Members to appreciate.
13

14 The COS informed that if NTA has a good team, it can share/ actually import lots of
15 materials here in water management. The whole area in Northern Luzon should be
16 imported. In the software, the seed file that they can import and overlay the other
17 datas of NTA, like soil analysis done by PRTC before, (soil mapping by NTA and
18 PRTC), if we can integrate all these datas. If only one person knows GIS and any
19 other aspects cannot be fully utilize, that will be very expensive.
20

21 Director Martinez interjected, *"I am not inspired with the research that we are doing*
22 *of NTA that is what I only want to say"*.
23

24 Hon. Secretary directed there should be a good presentation (and include in the
25 Agenda in the next Board Meeting), so that it will be duly understood. We follow
26 priority setting - how you are setting research agenda like those and mechanism for
27 review and have a good presentation. The research program of NTA, as I have said
28 before, I don't know if this is the case of NTA because of the Administration, by this
29 time, it is already four years, the research function was rendered only by one unit,
30 unlike before that NTA has this Research (group/center?). In PCA, the Research
31 Office was integrated with PCA and almost always not accorded due attention
32 (pansin), the research program. Hon. Secretary conveyed he like better that
33 Research be independent, research that is duly focused. What we can do now,
34 however, is to monitor properly the way we set-up priority, every now and then.
35

36 Going back to ArcGIS item, the Hon. Secretary asked for any further discussion, as
37 according to COS, there should be dedicated (staff) for the different platforms of
38 technologies, very scientifically informed. They are decision-making, particularly field
39 operation. Hon. Secretary said he would like to believe that NTA will take that
40 responsibility to have a group experts on this digital platform, which needs to be
41 immediately started. As embedding digital platform is necessary, he asked if anyone
42 moving for the approval of this subject to institutionally optimize on this digital
43 platform. The COS move and the Hon. Administrator seconded the motion to
44 approve the project as recommended.
45

46 Asking for any objection hearing none the Hon. Secretary declared the motion
47 is carried away. He added that we also have here create the Virginia Institute
48 (Research and Grading Institute), which may be include so that this will not be
49 for operations but for Research, too and vice-versa.
50

51 For the purpose, the NTA Governing Board adopted the resolution, as follows:
52

53 **RESOLUTION NO. 2136- 2022**
54

55 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED,**
56 **THAT the NTA Governing Board approves the Award of Contract**
57 **for the Project: Supply and Delivery of:**
58 **A. One (1) unit ArcGIS On-Line Creator Term License (2) years; and,**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59

B. Envi Remote Sensing / Image Processing Software for Drone Mapping (Concurrent Processing Perpetual License Software and Crop Science Module Perpetual License Software with 4 days free training for 5 participants), (PR2203-004), in favor of the **exclusive dealer, GEODATA SYSTEM TECHNOLOGIES, Inc.** with quotation/ price offer in the Amount of **PHP2,210,000.00.**”

UNANIMOUSLY APPROVED

F. REQUEST OF MANAGEMENT FOR THE EARLY IMPLEMENTATION IFOIGAP – RICE (WET SEASON CROP) FOR THE YEAR 2022, WITH THE PROVISION OF PRODUCTION ASSISTANCE AMOUNTING TO PHP50 MILLION, THROUGH THE FARM INPUT VOUCHER MANAGEMENT SYSTEM

Hon. Administrator introduced Committee Chair Director Casela to present the summary of discussion and recommendation for the agenda item. Director Casela called on the DAOP for the presentation of the details of proposal. .

DAOP explained we have demonstrated for the LGU, the process of securing farm inputs. He said the rationale is effectiveness of delivering assistance to the farmers, during the pandemic, like last 2021 procurement of material and goods delivery of tobacco to FC's and experience freak rain, escalation of price of product. DAOP completed his Slide Reporting.

Hon. Secretary asked the Members of the Governing Board if they have any suggestion or improvement. He said what he observed first was that as we are promoting block farming, even here in DA, we are promoting cluster farming. So, *“Dapat lahat mabigyan ng system, kasama sa block farms at saka meron sa RSBSA (Registry System for Basic Sector in Agriculture and Fisheries). That must be highlighted in the guidelines.”* He said he was not able to see this, but was only mentioned in passing. He said we would like that our farmers and fisherfolks in the entire country must be member of the block farm, with corresponding RSBSA because at the end of the day, we like that our farmers and fisherfolks for the entire country must be RSBSA member. This should be highlighted in all the guidelines to improve service facility. If they are not included in the block farm and registered in the RSBSA, they should not be included. The intent however is already there but it is not highlighted.

COS said he was just wondering why the number of registered farmers is very low, considering that there are few tobacco farmers remaining. NTA is covering only 5,000 farmers and 2,500 hectares, out of few thousand hectares. Why not cover a bigger area?

DAOP reasoned out that the budget in the COB is very limited, only PhP 50M. It cannot cover all because of budgetary constraint. NTA, however, intends to expand coverage. COS inquired whether this a part of the study. DAOP replied yes. Even in tobacco, 40% of the total farmers were targeted in the STEP. It is just that we have budgetary difficulty in the COB.

COS verified whether this is for Rice and Corn. DAOP answered we are tilling here in the same area during the rainy season, Rice and Corn. Actually, we are targeting pilot farm cropping pattern that can now be done, Rice/Tobacco or Corn/Tobacco. For them, Corn will be next after tobacco.



1
2
3 COS asked DAOP if he can work with the DA Regional office, so that NTA can
4 expand target area on Rice and Corn. The Rice area is also covered by the Regional
5 Offices, where they are also providing them fertilizers, feeds and Urea and others,
6 even RFA financial assistance. Can you work together so that you can have a larger
7 area?
8

9 DAOP replied we can do that. The only problem right now in our Rice production
10 program is that NTA provides Php20K/hectare. In the Regional office, farmer-
11 cooperators were given only three bags of Urea, providing for land preparation. So,
12 if implement/to continue this program, with your suggestion, we will coordinate with
13 the DA.
14

15 COS said if NTA is going to implement its project with that of the DA, it can give its
16 farmer-cooperators feeds and fertilizers from the DA. NTA can use its funds to cover
17 more area. If NTA will give them Php20K, and they are rice farmers, registered in
18 the RSBSA, will be given Php5K and if all the Rice farmers have received ng
19 Php5K, they will be abusing. You can be sure of that.
20

21 DAOP pointed out that, pertaining to RSBSA, tobacco farmers are only renting and
22 are only planting tobacco. COS clarified that RSBSA is not only for land owners, but
23 also for tenants and workers. So, have your tobacco farmers registered with RSBSA,
24 including the tenants and workers.
25

26 At this juncture Hon. Secretary asked for any other suggestion or for anyone moving
27 for the approval, with the DA Field Offices, so we can optimize the funds/assistance
28 and the use of more crops. Director Quintal moved and Director Serna seconded the
29 motion to approve the proposal, subject to collaboration with the DA Regional Field
30 Office, to optimize assistance and expand coverage.
31

32 The NTA Governing Board, therefore, adopted the following resolution, to wit:
33

34 **RESOLUTION NO. 2136- 2022**
35

36 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the
37 NTA Governing Board approves the Request of Management for the
38 Early Implementation of the IFOIGAP-RICE (WET SEASON CROP)
39 FOR THE YEAR 2022, WITH THE PROVISION OF PRODUCTION
40 ASSISTANCE AMOUNTING TO PHP 50 MILLION, THROUGH THE
41 FARM INPUT VOUCHER MANAGEMENT SYSTEM, subject to
42 collaboration with the DA Regional Field Office to optimize assistance
43 and expand coverage.”
44

45 **UNANIMOUSLY APPROVED**
46 -----
47

48
49 **G. REQUEST FOR AMENDMENT OF RESOLUTION NO. 2056 - 2021 OF 04 MARCH**
50 **2021, AWARDING OF CONTRACT TO DON MARIANO MARCOS STATE**
51 **UNIVERSITY (DMMSU), THE CONDUCT OF CONSUMER SATISFACTION**
52 **SURVEY FOR THE NTA, (WHICH WAS NOT PERFECTED DUE TO THE**
53 **PANDEMIC), THAT INSTEAD OF FOR THE CY 2020 (WHICH HAD LAPSED?), IT**
54 **SHOULD BE FOR THE CY 2021**
55

56 Hon. Administrator introduced the item and called on the Committee Chair Director
57 Serna to present the summary of discussion and recommendation.
58
59



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58

Director Serna reported that during the Committee Meeting, this is just a renewal of the contract with DMMSU because it has not been done because of the pandemic so, they have to move it for CY 2021.

Hon. Secretary asked for any discussion on this proposal because 2020 is covered by consumer survey for NTA for year 2021. So any Motion to approve this?

Director Serna moved for the Amendment of the Resolution No. 2056-2021 for the Awarding of Contract to DMMSU. Hon. Administrator seconded the motion.

The NTA Governing Board, therefore, adopted for the purpose the following resolution, to wit:

RESOLUTION NO. 2137- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Request of Management for the **Amendment of Resolution No. 2056 - 2021** of 04 March 2021, and the **Awarding of Contract to Don Mariano Marcos State University (DMMSU)**, the conduct of **Consumer Satisfaction Survey for the NTA**, (which was not perfected due to the pandemic), that **instead of for the CY 2020, it should be for the CY 2021**

UNANIMOUSLY APPROVED

H. REQUEST OF MANAGEMENT FOR THE CONFIRMATION OF THE AGENCY’S STATEMENT OF MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL STATEMENTS FOR FY 2021, AS A REQUIREMENT FOR SUBMISSION OF SAME TO THE COMMISSION ON AUDIT (COA)

Hon. Administrator introduced Director Casela to present the summary of discussion and recommendation.

Director Casela reported that the representative of Finance Dept., Ms. Mila Tiu, discussed the proposal for the Confirmation of the Agency Statement of Management Responsibility for Financial Statement Responsibility and for FY 2021 as requirement by COA and a Resolution for this purpose.

Hon. Secretary stated he has already seen the report in the documents, and asked for any discussion and if none, any motion to approve this.

Director Casela moved for the approval of the Confirmation of the Agency Statement of Management Responsibility for Financial Statement Responsibility for FY 2021, as per requirement by the COA. Director Trongco seconded the motion

The NTA Governing Board, therefore, adopted the following resolution, to wit:

RESOLUTION NO. 2138- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Request of Management for the **Confirmation of the Agency’s Statement of Management’s**



1
2
3 **Responsibility for Financial Statements for FY 2021, as a**
4 **requirement for submission of same to the Commission on Audit**
5 **(COA)."**
6

7 **UNANIMOUSLY APPROVED**
8 -----
9

10
11
12 **H. DESIGNATION OF CORPLAN MANAGER FORTUNA BENOSA AND INTERNAL**
13 **AUDIT SERVICE(IAS) MANAGER DINAH PICHAY, AS THE TWO (2) NTA**
14 **OFFICIAL RESPONDENTS TO THE CUSTOMER SATISFACTION SURVEY OF**
15 **THE GOVERNANCE COMMISSION FOR GOCCS (GCG)**
16

17 The Hon. Administrator, as the Chairman for Nomination, Remuneration and
18 Personnel Action, reported that this was thoroughly discussed and acted upon
19 during the past Joint Board Committee Meeting on April 1, 2022.
20

21 He then respectfully moved for the designation, as NTA official respondents to the
22 Customer Satisfaction Survey of the GCG. Director Victorio seconded the Motion
23

24 For the purpose, the NTA Governing Board adopted the following resolution:
25

26 **RESOLUTION NO. 2139- 2022**
27

28 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
29 **the NTA Governing Board approves the designation of Corplan**
30 **Mnager Fortuna Benosa and Internal Audit Service (IAS) Manager**
31 **Dinah Pichay, as the two (2) NTA official respondents to the**
32 **Customer Satisfaction Survey of the Governance Commission for**
33 **GOCCs (GCG)."**
34

35 **UNANIMOUSLY APPROVED**
36 -----
37

38
39 **VI. OTHER MATTERS**
40

41 **Moving towards other matters, the Hon. Administrator stated that the**
42 **proposed schedule for the 107TH SPECIAL BOARD MEETING will be on 28 April**
43 **2022, Thursday, 2:00 PM.**
44

45 Hon. Secretary said OK, mentioning to let the Governing Board knows the next
46 Meeting. He asked if there are any other information the Administrator would
47 like the Board to know, otherwise are we ready to adjourn the meeting.
48

49 Hon. Administrator reported, for the information of the Board, that last March
50 25, was the last day of signing of NTA's ECA. We were not able to catch up
51 because of the election ban. What we did is to request for exemption from the
52 COMELEC.
53

54 Hon. Secretary agreed, Yes, saying that is the way forward, to write a letter of
55 reconsideration, regarding the exemption from election ban.
56
57

1 VII. ADJOURNMENT

2
3 He thanked everyone and declared the meeting is adjourned, with his last
4 words emphasizing on unity in serving the industry, unity in serving the
5 farmers so that they will become more prosperous.
6

7 The Hon. Secretary officially adjourned the meeting at about 3:00 P.M.
8
9


10 -----ooo0ooo-----

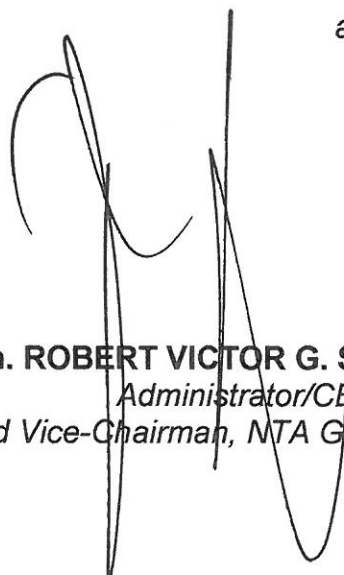
11
12
13 PREPARED AND CERTIFIED CORRECT:

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58


REX ANTONIO P. TEOXON
Board Secretary V

ATTESTED:


Hon. WILLIAM D. DAR, Ph.D.
Secretary, Department Agriculture
and Chairman, NTA Governing Board

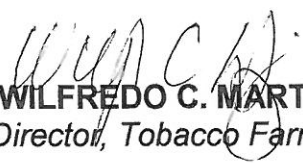

Hon. ROBERT VICTOR G. SEARES, JR.
Administrator/CEO
and Vice-Chairman, NTA Governing Board

Hon. LEOCADIO S. SEBASTIAN, PhD., CESO I
Undersecretary and Chief of Staff, Ex-Officio Member

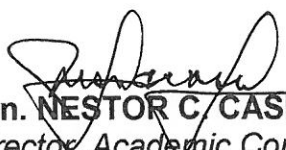
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50



Hon. JESSE PAT M. SERNA
Appointive Director, Tobacco Manufacturing Sector



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



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



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



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



Hon. WILSON R. VICTORIO
Appointive Director, Tobacco Traders/Exporters Sector



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
3rd & 4th Floor, Ben-Lor Building, 1184 Quezon Ave., Quezon City
Tel No. (02) 8374-3987 / Fax. No. (02) 8374-2505 / website: nta.da.gov.ph
ISO 9001: 2015 QMS CERTIFIED

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59

OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND FIFTIETH (150TH) REGULAR MEETING (VIRTUAL)
OF THE NTA BOARD OF DIRECTORS, HELD AT THE BOARD ROOM,
3/F BEN- LOR BLDG., 1184 QUEZON AVENUE, QUEZON CITY
10 MARCH 2022 (2:00 PM)**

PRESENT:

Usec LEOCADIO S. SEBASTIAN, Ph.D., CESO I - Chief of Staff/Ex-Officio Member,	Presiding Officer
Adm. ROBERT VICTOR G. SEARES, JR.-	Vice-Chairman of the Board and Administrator/CEO
Dir. JESSE PAT M. SERNA	- Member, Manufacturing Sector
Dir. NESTOR C. CASELA	- Member, Academic Community
Dir. WILFREDO C. MARTINEZ	- Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	- Member, Tobacco Farmers Sector
Dir. DANILO C. TRONGCO	- Member, Tobacco Farmers Sector
Dir. WILSON R. VICTORIO	- Member, Trader/Exporter Sector

OTHERS PRESENT:

Engr. CESARIO G. SAMBRANA	- Deputy Admin. for Operations
Mr. BENEDICTO M SAVELLANO	- Deputy Admin. for Support Services
Atty. JUN FRED V. PARADO	- Legal Officer V, Office of the Admin.
Ms. FORTUNA C. BENOSA	- Manager, Corplan Department
Atty. ROHBERT A. AMBROS	- Manager, Regulation Department
Ms. DINAH E. PICHAY	- Manager, Internal Audit Service
Mr. REYNALDO AQUINO	- B. Officer V, Bud. & Cash Mgmt. Div.
Mr. RAMON R. MUNCAL	- Stenographer III
Mr. REX ANTONIO P. TEOXON	- Board Secretary V

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Atty. Jun Fred V. Parado, Legal Officer V of the Office of the Administrator, led the opening prayer.

II. CALL TO ORDER

As directed earlier by the Honorable DA Secretary and Chairman of the NTA Governing Board, Hon. Undersecretary Leocadio S. Sebastian, Ph.D., CESO I, Chief of Staff (COS) and DA Senior Official, duly designated by the Honorable Secretary as Ex-Officio Member of the NTA Governing Board, presided the meeting.

He called the meeting to order at about 2:10 P.M..

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55

III. DETERMINATION OF QUORUM

The Hon. COS asked the Corporate Secretary to call the roll.

As has checked the attendance early on, the Corporate Secretary reported that in addition to the Hon. Presiding Officer and Hon. Administrator/CEO and Vice-Chairman, everyone is present in today's meeting, namely, Honorable Directors Teofilo Quintal, Wilfredo Martinez, Nestor Casela, Danilo Trongco, Wilson Victorio and Jesse Pat Serna.

There is, therefore, a quorum for the 150th Regular Meeting of the NTA Governing Board.

IV. APPROVAL OF THE AGENDA OF THE 150TH REGULAR MEETING OF THE NTA GOVERNING BOARD HELD THIS 10 MARCH 2022, AT THE BOARD ROOM, 3/F BEN-LOR BLDG., 1184 QUEZON AVE., QUEZON CITY

Moving forward, the Hon. COS asked if anybody has any objection or correction to the Agenda for the 150th Regular Meeting, or anybody moving for its approval.

Director Martinez moved and Director Casela seconded the motion to approve. The NTA Governing Board, therefore, adopted the following resolution for the purpose:

RESOLUTION NO. 2124- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT
the NTA Governing Board approves the Agenda of the 150TH Regular Meeting of the NTA Governing Board held this 10 March 2022, at the Board Room, 3/F Ben-Lor Building, 1184 Quezon Avenue, Quezon City."

UNANIMOUSLY APPROVED

V. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE 106TH SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD ON 24 FEBRUARY 2022, AT THE BAN-AW RESORT, BGY. BAGANI GABOR, CANDON CITY, ILOCOS SUR.

Moving forward, as in the previous meetings, the Hon. COS reminded that any member has five (5) days, after this meeting, within which to submit any correction to the Minutes of the 106th Special Board Meeting.

Then, the Hon. COS asked if anyone moving for its approval. The Hon. Administrator moved and Director Trongco seconded the motion "for the approval of the minutes of the 106th Special Meeting, with the provision for any member to submit any correction, within 5 days from this meeting.

The NTA Governing Board then adopted the following resolution, to wit:



RESOLUTION NO. 2125-2022

1
2
3 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
4 the NTA Governing Board approves the Minutes of the 106TH Special
5 Meeting of the NTA Governing Board, held this 24 February 2022, at
6 Ban-aw Resort, Bgy. Bagani Gabor, Candon City, Ilocos Sur, with the
7 provision for any member of the Governing Board to submit any
8 correction to the Minutes within five (5) days after this meeting.”
9

10 **UNANIMOUSLY APPROVED**
11 -----
12

13
14 **B. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETINGS:**
15

16 Proceeding to the discussion of Matters Arising from the previous meetings, the
17 Hon. Administrator presented each item one by one by one, as follows:
18

19 **1. PRESENT TO THE BOARD NEXT TIME: EXTENT OF COVERAGE OF THE PHP200**
20 **MILLION (M) FROM THE DPWH - PHASE I OF THE CONSTRUCTION OF THE**
21 **NTA BUILDING VIS-A-VIS APPROVED DESIGN**
22

23 Pertaining to the “extent of construction coverage for the PhP200M budget from
24 the DPWH vis a vis approved design” of the NTA building, the Hon.
25 Administrator reported that:
26

- 27 ➤ There is no update yet. The DPWH informed they still have to do some
28 recomputation, in view of the high rising prices of steel, aggregates and to
29 be compounded with the increase in the prices of gasoline.
30
- 31 ➤ Earlier, the Hon. Administrator informed, the DPWH has been busy with
32 the bidding for their projects, which they would like implemented before the
33 election ban. They will come back to NTA as soon as they are ready.
34
- 35 ➤ NTA stressed it needs the information because the Hon. Secretary has
36 been asking for specific details as to the said extent of coverage.
37

38 As the other Members of the Board had no more comments to the report, the
39 Hon. COS concluded expressing hope that the Hon. Administrator will give an
40 update in the next Board Meeting.
41

42
43 **2. MANDATE MANAGEMENT/BRANCH MANAGERS TO INFORM THE TOBACCO FARMERS**
44 **TO ENROL OR HAVE THEM ENROLLED AT THE PCIC, BEFORE PLANTING, FOR**
45 **INSURANCE COVERAGE SO THAT THEY CAN BE INDEMNIFIED IN CASE OF CALAMITY**
46 **(LIKE FREAK RAINS)**
47

48 Introduced by the Hon. Administrator, DAOP Sambrana reported that **the Hon.**
49 **Administrator already issued a Memorandum**, dated 28 February 2022, **to**
50 **that effect**, starting with the IFOIGAP -Rice (Wet Season Crop, onwards).
51

52 Director Quintal commented, when they enroll, start with rice, and to include
53 tobacco already.
54

55 DAOP Sambrana replied enrolment will be before planting the crop.
56



1 (The audio has not been good. The Hon. COS called for a break to have the
2 audio checked.)
3

4 **3. START EXECUTION/IMPLEMENTATION OF THE DECISION OF THE GOVERNING BOARD**
5 **TO IMPOSE PENALTY/IES TO AGRI. INPUT SUPPLIER, PURSUANT TO RESOLUTION**
6 **NOS. 2108-2022 AND 2109-2022, AS PER RESOLUTION NO. 2118-2022 OF 11 FEBRUARY**
7 **2022, SUCH AS:**

8 a. **COMPUTE AND IMPOSE THE LIQUIDATED DAMAGES, PURSUANT TO EXISTING LAWS,**
9 **EFFECTIVE FROM 01 JANUARY 2022, UNTIL COMPLETED; AND,**

10
11 b. **CONDUCT ALREADY THE INVESTIGATION AND SUBMIT THE RESULT TO THE**
12 **BOARD FOR ITS CONSIDERATION / DECISION**
13

14 When the discussion resumed, the Hon Administrator repeated the discussion
15 of #3, which he said has to be deferred and has only been included in the
16 Agenda (which was submitted days ahead). He asked the Corporate Secretary
17 to confirm and verify same to the Hon. Chairman.
18

19 The Corporate Secretary explained that during the Committee meeting, Director
20 Casela, as Chairman of the Board Committee on Audit and Finance, requested
21 for the assistance of the Finance Manager, Internal Audit Service Manager and
22 Budget Officer? (supposed to be Chief Accountant), for the recomputation to be
23 facilitated, for them to verify/validate the information, as per Director Casela's
24 instruction. It was noted that the computation submitted by Atty. Ambros started
25 from January 16, 2022, instead of January 1, 2022, as indicated in Resolution
26 No.2108--2022 of the NTA Governing Board.
27

28 As to the other issue, Atty. Ambros reported that he already sent the "Show
29 Cause Order" to the supplier and just waiting for the response within five (5)
30 days.
31

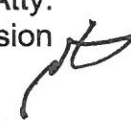
32 The Corporate Secretary ended saying that **we will just be waiting for the**
33 **result of evaluation (recomputation) by Ms. Laudencia and Ms. Pichay.**
34

35 The Hon. Administrator confirmed that is the reason, because there will be
36 recomputation of the liquidated damages.
37

38 The Hon. COS informed, "Nakalagay dito is January 1".
39
40

41 (In the Joint Committee Meeting, BAC Chairman, Atty. Ambros reported that
42 the liquidated damages to be imposed against Leads Agricultural Products
43 Corporation, amounted (tentatively) to a total of Php237,051.44, computed from
44 16 January 2022, until 03 March 2022 (when delivery was completed).
45

46 When asked why January 16, 2022, when the Board Resolution, imposing the
47 penalty, says effective starting 01 January 2022, Atty. Ambros replied that there
48 was a request for extension up to January 15, approved by the Hon.
49 Administrator. Asked, however, when the request was submitted, as this was
50 never mentioned in the Board Meeting of January 21, when the resolution was
51 passed and the extension from 16 to 31 December 2021 was discussed; nor, in
52 the Board Meeting of February 11, when the Governing Board adopted the
53 Resolution (No.2109-2022), implementing the penalty/ies imposed. Atty.
54 Ambros admitted he did not submit anymore because of the heated discussion
55 in the Board.
56
57



1 Director Casela declared that on the basis of the new information, the liquidated
2 damages should be recomputed effective 01 January 2022, per Board
3 Resolution; and, as Chairman of the Committee on Audit and Finance,
4 requested the assistance of Finance Manager Ma. Teresa Laudencia and IAS
5 Manager Dinah Pichay to expedite the computation.
6

7 Director Martinez asked whether we have a policy or we are just copying. He
8 stated we should have a policy and we have to know the reason for the delay in
9 the delivery of agricultural supplies. Both Director Casela and the Hon.
10 Administrator agreed with Director Martinez.
11

12 **Hon. Administrator asserted that all suppliers/contractors should give**
13 **valid reason for their request for extension.** We should be consistent with
14 everybody.
15

16 Director Martinez stated that he is not satisfied with the reason given by the
17 supplier.
18

19 Hon. Administrator reiterated that it is proper to ask for valid reason for the
20 request for extension, from all concerned.
21

22 Director Casela pronounced that a policy should be adopted by the
23 Governing Board that consultancy with the Board is necessary for the
24 request for extension.
25

26 **The Hon. Administrator seconded the motion.**
27

28 The NTA Governing Board, with all the appointive members present, adopted
29 for the purpose, the following resolution:
30

31 **RESOLUTION NO. 2126- 2022**
32


33 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the**
34 **NTA Governing Board hereby institutes/approves the policy:**

- 35
- 36 1. That **all suppliers/contractors should give valid reason for**
37 **their request for extension; and,**
 - 38 2. That **consultancy with the Board is necessary for the request**
39 **for extension.”**
40

41 **UNANIMOUSLY APPROVED**
42 -----
43

44
45
46 **RE #b. the conduct of investigation in connection with the black**
47 **listing, Atty. Ambros reported that proceedings for same had**
48 **already started. A “Show Cause Order’ was already sent and the**
49 **supplier must answer within 5 days.**
50

51 He presented the **black listing procedure, per GPPB Resolution No.**
52 **09-2004, as follows:**
53

- 54 1. **Notification (Show Cause Order);**
 - 55 2. **Answer/reply – 5 calendar days from receipt of notification;**
 - 56 3. **Summary hearing - optional and only if contractor manifests**
57 **(terminated within 5 days from commencement);**
58
- 

- 1 4. **BAC Recommendation to the Administrator** (whether or not to
- 2 impose blacklisting based on answer and evidence submitted (within
- 3 5 days from termination of hearing/ receipt of answer);
- 4 5. **Decision to be issued by the Administrator**, whether or not to
- 5 approve BAC recommendation (within 15 days after receipt of
- 6 BAC recommendation);
- 7 6. **Notice of decision of the Administrator**;
- 8 7. **Motion for reconsideration** (within 7 days from receipt of
- 9 decision);
- 10 8. **Appeal to the DA Secretary**-within 7 days from receipt of denial of
- 11 MR; and,
- 12 9. **Decision of DA Secretary** – no reglamentary period, but once
- 13 issued, it becomes final and executory.

14
15 As the Board Resolution says, the Governing Board will evaluate and decide on the
16 penalty, **Director Casela asked if the decision of the Administrator to black**
17 **list will be subjected to the deliberation and comments by the Board.**

18
19 Atty. Ambros replied, the GPPB procedure did not say. It will be the
20 **Administrator's discretion whether or not to submit to the Board for its**
21 **deliberation.**

22
23 Whether the liquidated damages will be **immediately executory**, he said **it is**
24 **to be deducted from the withheld payment to the supplier.**

25
26
27 **C. APPROVAL OF THE ACTION PLAN AND BUDGET FOR THE REHABILITATION/**
28 **OPERATION OF THE TOBACCO DUST PRODUCTION AGRIBUSINESS PROJECT**
29 **(BASED ON FEASIBILITY STUDY CONDUCTED PURSUANT TO BOARD**
30 **RESOLUTION NO. 2064-2021)**

31
32 The Administrator introduced, this was also recommended to be deferred.


33
34 The Hon. COS, therefore, asked the Hon. Administrator to proceed to the next
35 item.

36
37
38 **D. APPROVAL OF THE REQUEST OF MANAGEMENT FOR THE AWARD OF**
39 **CONTRACT FOR THE PROJECT: "RE-INVITATION TO BID FOR SUPPLY AND**
40 **DELIVERY OF 27 UNITS OF DESKTOP COMPUTER AND ONE (1) SERVER FOR**
41 **THE USE OF NTA CENTRAL AND BRANCH OFFICES" IN FAVOR OF**
42 **MAGSANGKAY COMPUTER CENTER, WITH THE SINGLE CALCULATED AND**
43 **RESPONSIVE BID (SCRB) IN THE AMOUNT OF PHP2,678,000.00**

44
45 In the Committee meeting, Atty. Ambros reported that the opening of bids was
46 conducted 11 February 2022, with Hon. Director Wilson Victorio in attendance.

47
48 There was only one prospective supplier, **Magsangkay Computer Center**,
49 which passed the prequalification, based on technical and legal documents,
50 and submitted a **bid amount of Php2,678,000.00**. Post qualification was
51 conducted 18 February 2022, which confirmed the eligibility and technical
52 capability of the center, which was said to be a regular supplier of computer
53 and information technology for the NTA.

54
55 Director Casela informed that with respect to #D, there was no argument as to its
56 approval. He, therefore, moved for the approval of the request of Management for the
57 award of the said project, in favor of Magsangkay Computer Center. Director Trongco
58 seconded the motion.



1 The NTA Governing Board, therefore, adopted for the purpose, the following
2 resolution, to wit:
3
4

5 **RESOLUTION NO. 2127- 2022**
6

7 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
8 the NTA Governing Board hereby approves the request of
9 Management to award the contract for the project: **“Supply and**
10 **Delivery of 27 units of Desktop Computer and 1 unit server,**
11 **for the use of the NTA Central Office and Branch Offices”, to**
12 **Magsangkay Computer Center, with the bid amount of**
13 **PhP2,678,000.00.**
14

15 **UNANIMOUSLY APPROVED**
16 -----
17

18
19
20
21 **E. APPROVAL OF THE NTA CORPORATE OPERATING BUDGET (COB) FOR CY**
22 **2022**
23

24 The Hon. Administrator reported that this was also recommended to be
25 deferred during the Committee Meeting because there are questions from the
26 Directors.
27

28 The Hon. COS asked the Finance Committee, which supposed to have
29 reviewed the proposal, to report.
30


31 The Hon. Administrator asked Director Casela to report. Hon. COS asked
32 Director Casela the reason for the deferment.
33

34 Director Casela informed that, as discussed in the Committee Meeting
35 yesterday, there are other details that are required by other members of the
36 Board. On the part, however, that there are no questions about, Director
37 Casela opted to provide the Executive Summary of the proposed COB of NTA
38 for FY 2022.
39

40 He discussed that NTA is the sole government agency with the power to
41 administer and regulate the tobacco industry. This is under Executive Order No
42 245, series of 1987. The mandate of the NTA is to improve the living
43 conditions and increase the quality of life of tobacco farmers and those who
44 depend on the industry; and, secondly, is to promote the balanced and
45 integrated growth and development of the tobacco industry to help agriculture
46 become a solid basis for industrialization.
47

48 Relative to this, the NTA should be vested with powers so that it can
49 effectively and efficiently implement its mandate. Its powers are: to promulgate
50 and enforce rules and regulations on the production, standardization, trading of
51 tobacco and tobacco products, as necessary to attain its purposes and
52 objectives to pursue the policy; and, to conduct agricultural research, establish
53 and operate training centers.
54

55 By virtue of RA 9211, NTA has been mandated, as required by this law, to
56 implement the following:
57



- 1 #1. Tobacco assistance program - The NTA is mandated to financially assist
2 the registered tobacco farmers who maybe displaced by the
3 implementation of the said RA 9211 or voluntarily ceased planting tobacco;
- 4 #2. Promote tobacco growers cooperative - This is undertaken to assist
5 tobacco farmers effort to develop cooperative farming system and other
6 livelihood project;
- 7 #3. Free education program - This is being implemented for 4 years to 5 years
8 already, which could entail the provision of scholarship to deserving sons
9 and daughters of tobacco farmers and they were given tuition fee and other
10 allowances; and,
- 11 #4. Research and development program - This is in relation to the mandate of
12 NTA to conduct agricultural and industrial research.

13
14 NTA's Vision is to improve the livelihood of tobacco farmers and its
15 stakeholders productivity and other income generating activities; and, its
16 Mission is to enhance capability, build and mobilize resources on the
17 development of the tobacco trade, in accordance with national law, quality
18 systems, tobacco stakeholders and other industry.

19
20 In the implementation of the COB, there are priority projects/program of NTA
21 and this is aligned to of the DA's strategies:

22 Number one is farm clustering of DA block farm, which we started this year.
23 The purpose of this, of course, should be as conduit or recipient of programs
24 and projects of NTA. They should be registered farmers associations or
25 cooperatives. If they are legally registered, they will have a legal personality to
26 conduct business and enjoy whatever benefits from the block farm.

27
28 Under this block farm, we have TCGS. This includes the provision of production
29 assistance, financial and marketing assistance and will also include the
30 provision of 40% subsidy to the production assistance given to the farmers.
31 This is very helpful to them. The fact is the 40% that is given amounts to
32 PhP32,000/hectare given free, with the 100% given assistance, assuming
33 PhP80,000.00.

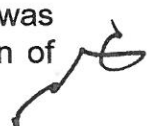
34
35 Another one, lately, because of the effect of freak rains that occurred last week
36 of January, the Management, as initiated by the Administrator, purchased Bio-
37 Stimulants for the tobacco. The purpose of providing growth hormone to
38 tobacco farmers, whose tobacco still have the possibility of reviving. NTA
39 provided PhP7M for this purpose.

40
41 Another assistance program is the construction of new and repair of dilapidated
42 curing barns. The 3,000 curing barns and curing sheds should be provided to
43 tobacco farmers in Regions I, II and CAR.

44
45 The tobacco farm mechanization program has been implemented since two (2)
46 years ago for the purpose of reducing cost of production and to simplify
47 operation.

48
49 The Hon. COS recalled his earlier question, "ano reason (for the deferment)?"

50
51 Director Casela replied that there was a question raised by Dir. Martinez as to
52 the specific source of funds and the utilization of funds. Unfortunately, he was
53 not satisfied of the answer of Mr. Aquino about the sources and utilization of
54 funds under the COB.



1 Hon. COS asked, how can NTA operate without the COB. **This is mandatory.**
2 **NTA has to have a COB.** Addressing NTA, "You are spending your budget
3 without the COB".
4

5 Director Casela explained that they have been requesting the Finance
6 Department (FD) to expedite, with coordination with Corplan, the completion
7 and submission of the COB. This might be the reason why they (NTA?) did not
8 pass the efficiency standard set by the DBM. He narrated, "We told the FD, they
9 were given up to March 15 to finish the submission". Then, he requested Mr.
10 Aquino or Manager Nini to elucidate with respect to the COB.
11

12 Manager Benosa explained, as she came from another meeting, she was late in
13 attending the Committee meeting. She was not able to hear the discussion on
14 the allocation of the budget on the programs and projects, but was able to hear
15 the request of Director Martinez on the beema bamboo. He requested Director
16 Martinez to elucidate.
17

18 The Hon. COS asked why go to that level of detail in the COB. It is supposed to
19 guide on how to spend the money, "What are the big allocations?" Otherwise,
20 NTA will not have the flexibility. Hon. COS warned "pag hindi ma-approve yang
21 COB ninyo, (otherwise) ang releases ninyo, mapending kayo niyan".
22

23 Manager Benosa interposed they have done their part and asked perhaps
24 Director Martinez can explain his question on the beema. Director Martinez
25 responded that yesterday, he was already satisfied with the answer. Somebody
26 have some questions.
27

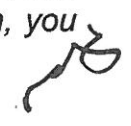
28 Hon. COS expressed his thought, "*the issue about beema, it is about their*
29 *planning, accounting and budgeting, "ano ginagawa niyo diyan?"*
30

31 Manager Benosa said she will ask Mr. Aquino about the figures, the questions
32 on the programs and projects. We have settled?
33

34 Mr. Aquino explained that when the COB was presented during the Committee
35 meeting yesterday, nobody asked any question about the COB. However,
36 Director Martinez requested to defer the approval, because he has a question
37 about the bema bamboo. It should be answered by DAOP, not only that Director
38 Martinez wants to increase the budget for the beema bamboo.
39

40 At this point, Director Casela interjected that as Director Martinez said that he
41 has no question anymore and the question is just for the implementation of the
42 beema bamboo; and, since there were no other questions in the COB, from the
43 Members of the Board, and if there are none, he, therefore, moved for the
44 approval of NTA COB for CY 2022, with the budget of PhP1,296,305,000.00,
45 with the breakdown for MOOE, PS, CO and Investment outlay.
46

47 The Hon. COS advised NTA to check the tables that have been presented from
48 Finance, Budget and Planning. He advised further, "*Please present your budget*
49 *before the start of the year, para maayos yung expenditure. As far as I know,*
50 *you have to provide flexibility and adjustment during the year, hindi 'yong*
51 *detalye na wala nang flexibility. Huwag ninyo gagawin na para kayong Bureau*
52 *na pag approve 'yong budget wala ng adjustment. That is, as corporation, you*
53 *are provided flexibilitly. OK. Reconcile the tables".*
54



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
--

Then, he asked if anybody would like to second earlier motion for the approval of the COB. "Do not exceed the PhP1B budget." The Hon. Administrator seconded the motion.

The NTA Governing Board therefore adopted the following resolution, to wit:

RESOLUTION NO. 2128- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board hereby approves the **NTA Corporate Operating Budget (COB) for FY 2022**, in the total amount of **PhP1,296,305.000.00**, broken down by expense class, as follows: **Personal Services (PS)**, PhP294.615M; **Maintenance and Other Operating Expenses (MOOE)**, PhP502.072M; **Capital Outlay (CO)**, PhP214.008M; and, **Investment Outlay(IO)**, PhP285.610M, subject to reconciliation of tables."

UNANIMOUSLY APPROVED

VI. OTHER MATTERS

A. CONFIRMATION OF APPOINTMENT OF ENGR. CESAR G. SAMBRANA AS NEW DEPUTY ADMINISTRATOR FOR OPERATIONS OF THE NTA

The Hon. Administrator introduced the item, the confirmation of appointment of Engr. Cesar Sambrana, as the new DAOP, by the Governing Board. The Hon. COS okayed, affirming the President has appointed Engr. Sambrana. He volunteered the information that Engr. Sambrana is following up the PhP50 million that the DA will be giving for the ECA.

The Hon. Administrator moved and Director Trongco seconded the motion for the confirmation of appointment of Engr. Sambrana, as the new DAOP of the NTA.

The NTA Governing Board therefore adopted the following resolution for the purpose:

RESOLUTION NO. 2129- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board confirms the appointment of **ENGR. CESAR G. SAMBRANA**, as the new Deputy Administrator for **Operations (DAOP)** of the National Tobacco Administration (NTA)."

UNANIMOUSLY APPROVED

1 B. REQUEST OF TOBACCO FARMERS OF ABRA FOR ADDITIONAL
2 SUBSIDY OF 20% FROM THE NTA
3

4 The Hon. Administrator introduced that he has already the letter from the
5 farmers of Abra requesting for the additional 20% subsidy from the NTA. He
6 asked the Officer-in-Charge/Branch Manager, Engr. Randy I. Abella, to
7 discuss the proposal from Pilar, Abra.
8

9 Engr. Abella explained that with the additional subsidy of 20%, to the present
10 20% given to the farmers of Pilar, Abra, the subsidy will be increased for
11 these farmers. He said the letter includes the signature of the Mayor and
12 Vice-Mayor of the municipality.
13

14 At this juncture, Director Casela volunteered to elucidate. As a background,
15 he informed that under the present Tobacco Contract Growing Program,
16 production assistance is being fully provided by the NTA. On this basis, 40%
17 subsidy is being provided by the NTA.
18

19 However, because of the fact, that there are LGU's and traders which buy
20 farm inputs for the farmers on this category, if the farmers receive farm inputs
21 from the traders or LGU's, NTA will provide the cash assistance and the 20%
22 subsidy will be given. Under this consideration, the farmers of Pilar, Abra is
23 requesting that since they receive farm inputs from the traders and LGUs
24 hence, they are requesting that 20% will be given as additional production
25 assistance to them. That is the background of the letter.
26

27 The Hon. COS asked for any comment from the Members and whether they
28 have already studied same.
29


30 Director Casela informed that during the last Committee Meeting, he deferred
31 this Agenda because there were no letter-request or list of farmers. This time
32 he asked what is the corresponding amount involved in this request, which
33 will be based on the list of farmers and the amount they have availed
34

35 The Hon. Administrator replied they have already submitted the list of
36 farmers then called for the OIC of Abra.
37

38 The Hon. COS, at this point, requested NTA to study this letter first, before
39 presenting to the Board and to give him the update and recommendation, if
40 you have to recommend and have a budget.
41

42 Director Casela expressed his apprehension that the farmers of Pilar, Abra
43 are not the only farmers that will be subject to that and therefore, if their
44 request will be granted, subsequently, we will be granting the request of the
45 several group of farmers, who will be requesting the same. The question
46 thus, will be "*do we have necessary funds for this?*"
47

48 The Hon. COS, then, asked Management to study. With the Hon. COS
49 asking for any other matter for discussion, the Hon. Administrator replied,
50 "*We would like to congratulate the COS for his new appointment as*
51 *Undersecretary, under the Office of the Secretary*".
52
53
54



1 C. PROPOSED SCHEDULE FOR THE 107TH SPECIAL BOARD MEETING
2 WILL BE ON 24 MARCH 2022, THURSDAY, 2:00 PM.
3

4 Director Casela asked for the confirmation of the schedule of the board
5 meeting. The Hon. Administrator informed, the Committee Meeting will be on
6 the 23 March and the Special Board Meeting will be on the 24th March, at
7 2:00 PM.
8

9
10 VI. ADJOURNMENT

11
12 As there are no other items to discuss, Director Casela moved for the
13 adjournment of the meeting. Director Trongco seconded the motion.
14

15 Hearing no objection, the Hon. COS declared the motion is approved. He
16 formally adjourned the meeting at 3:48 PM.
17

18
19
20 -----ooo0ooo-----

21
22
23
24 PREPARED AND CERTIFIED CORRECT:

25
26
27
28
29 REX ANTONIO P. TEOXON
30 Board Secretary V
31

32
33
34
35 ATTESTED:

36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
Hon. WILLIAM D. DAR, Ph.D.
*Secretary, Department Agriculture
and Chairman, NTA Governing Board*

Hon. ROBERT VICTOR G. SEARES, JR.
Administrator/CEO

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58

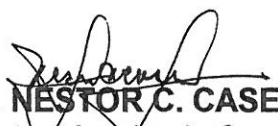
Hon. LEOCADIO S. SEBASTIAN, PhD., CESO I
Undersecretary and Chief of Staff, Ex-Officio Member



Hon. JESSE PAT M. SERNA
Appointive Director, Tobacco Manufacturing Sector



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



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



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



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



Hon. WILSON R. VICTORIO
Appointive Director, Tobacco Traders/Exporters Sector



8
9
10
11
12
13
14
15
16
OFFICE OF THE NTA GOVERNING BOARD

17
18
19
20
21
22
23
24
25
26
27
28
29
**ONE HUNDRED AND SIXTH (106TH) SPECIAL MEETING
OF THE NTA BOARD OF DIRECTORS, HELD AT THE BAN-AW RESORT,
BGY. BAGANI GABOR, CANDON CITY, ILOCOS SUR
24 FEBRUARY 2022 (2:00 PM)**

30
31
32
33
34
35
36
37
38
39
PRESENT:

40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62

Secretary WILLIAM D. DAR, Ph.D.	-	Secretary of Agriculture and Chairman, NTA Governing Board
Adm. ROBERT VICTOR G. SEARES, JR.-		Vice-Chairman of the Board and Administrator/CEO
Usec LEOCADIO S. SEBASTIAN, Ph.D., CESO I		Chief of Staff/Ex-Officio Member
Dir. JESSE PAT M. SERNA	-	Member, Manufacturing Sector
Dir. NESTOR C. CASELA	-	Member, Academic Community Sector
Dir. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Dir. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector
Dir. WILSON R. VICTORIO	-	Member, Trader/Exporter Sector

63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
OTHERS PRESENT:

83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

Engr. CESARIO G. SAMBRANA	-	OIC/Deputy Admin. for Operations
Atty. JUN FRED V. PARADO	-	Legal Officer V, Office of the Admin.
Ms. FORTUNA C. BENOSA	-	Manager, Corplan Department
Atty. ROHBERT A. AMBROS	-	Manager, Regulation Department
Ms. DINAH E. PICHAY	-	Manager, Internal Audit Service
Mr. RAMON R. MUNCAL	-	Stenographer III
Mr. REX ANTONIO P. TEOXON	-	Board Secretary V

101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
HIGHLIGHTS OF THE MEETING

121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
I. OPENING PRAYER

144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200

Atty. Jun Fred Parado, Legal Officer V, led the opening prayer.

201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
II. CALL TO ORDER

The Honorable Secretary formally called the meeting to order at 2:06 PM, after a little preliminaries.

The meeting was held in the same venue, Ban-aw Resort, in Bgy. Bagani Gabor, Candon City, Ilocos Sur, where the awarding of the winners of the "Tobacco Grower of the Year" was held.

301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
III. DETERMINATION OF QUORUM

The Hon. Secretary asked the Corporate Secretary to identify who are present physically; and, those who are, virtually. With that, to determine whether there is a quorum.

The Corporate Secretary reported that we have the majority of the Members of the NTA Governing Board at present in the venue. He said, in addition to the

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

Honorable Chairman and the Vice-Chairman, present for today's meeting are the Hon. Directors Nestor Casela, Teofilo Quintal, Jesse Pat Serna, Danilo Trongco and Undersecretary and Chief of Staff, Ex-officio Member, Dr. Leo Sebastian.

He added that Hon. Directors Wilfredo Martinez and Wilson Victorio will be joining the meeting at about 2:30 PM, at NTA Bauang Branch Office.

"We have a quorum then", the Hon. Secretary concluded.

IV. APPROVAL OF THE AGENDA OF THE 106TH SPECIAL MEETING OF THE NTA GOVERNING BOARD HELD THIS 24TH FEBRUARY 2022, AT THE BAN-AW RESORT, BGY. BAGANI GABOR, CANDON CITY, ILOCOS SUR

Proceeding towards the approval of the Agenda, the Hon. Secretary asked if anybody would like to add anything or introduce any amendment to the Agenda of the 106th Special Meeting.

Director Casela interposed, he would like to include the request of the tobacco farmers of Abra, for a subsidy of 20%, for the TCGS(?), which cash portion will be financed by the NTA and the farm inputs by the LGU. As Director Casela was narrating the background of his proposal, the Hon. Secretary asked him to please stop, saying, he was not asking for a presentation now. He should not discuss the proposal yet. He simply has to present the agenda item.

Director Casela reiterated his earlier statement that he would like to include the request of the farmers of Abra for a subsidy of 20% for TGY who will be assisted by the NTA and the LGU. The Hon. Secretary okayed and asked for other amendments. Hearing none, he asked for a motion to approve. Director Quintal moved and Director Trongco seconded the motion.

The NTA Governing Board, then, adopted the following resolution, to wit:

RESOLUTION NO. 2119- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT
the NTA Governing Board approves the Agenda of the 106TH Special Meeting of the NTA Governing Board held this 24 February 2022, held at the Ban-aw Resort, Bgy. Bagani Gabor, Candon City, Ilocos Sur, as amended, to include in the discussion the request for 20% subsidy for the TGY farmers of Abra."

UNANIMOUSLY APPROVED

V. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE 149TH REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 11 FEBRUARY 2022, AT THE BOARD ROOM, 3/F BEN-LOR BLDG., 1184 QUEZON AVENUE, QUEZON CITY

Moving towards the approval of the Minutes, the Hon Secretary, as in the past meetings, reminded that they have the rules to follow when approving the minutes. They approve the Minutes, subject to the submission by any member of any correction within five (5) days from this meeting. Then, he asked if anyone moving for its approval. The Hon. Administrator moved for the approval,

1
2
3
4 subject to the submission by any member within five days from today. Director
5 Trongco seconded the motion.
6

7 For the purpose, the NTA Governing Board adopted the following resolution:
8

9 **RESOLUTION NO. 2120- 2022**

10
11 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the
12 NTA Governing Board approves the Minutes of the 149TH Regular
13 Meeting of the NTA Governing Board, held this 11 February 2022, at
14 the Board Room, 3/F Ben-Lor Bldg., 1184 Quezon Avenue, Quezon
15 City, subject to submission by any Member of any correction within
16 five days from today.”

17
18 **UNANIMOUSLY APPROVED**
19 -----
20

21
22 **B. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETINGS:**

23
24 **1. REPORT UPDATE (IF EVER): EXTENT OF COVERAGE OF THE PHP200**
25 **MILLION (M) FROM THE DPWH - PHASE I OF THE CONSTRUCTION OF THE**
26 **NTA BUILDING VIS-A-VIS APPROVED DESIGN**
27

28 Moving now to Matters Arising, the Hon. Secretary called on the Hon. Administrator.
29

30 The Hon. Administrator informed that just this morning, he received a call from the
31 DPWH, informing him that they were in La Union at this time. At this point, they
32 cannot still give the NTA about the specific coverage of the Php200M budget from
33 the DPWH. Pressed for information as the Hon. Secretary would like to have some
34 update, Undersecretary Cadain said maybe after their meeting, the Administrator
35 reported.
36

37 The Hon. Secretary asked for confirmation of his understanding that the Php200M is
38 for latter release (FLR), to which the Hon. Administrator replied, “You are correct”.
39 The Hon. Secretary said it means double effort must be exerted to have that
40 released. So, ASAP (as soon as possible). “For latter release” may take to
41 purgatory.
42

43 The Hon. Administrator replied, “there is no notice of award. Before we pursue,
44 there should be notice. So, I asked from the OP (Office of the President) for this
45 particular project. The Hon. Secretary advised that NTA may proceed with the
46 procurement while awaiting(?) certification of the budget. This will hamper the
47 release of the FLR. So, the Hon. Secretary said, “I need an update, Administrator
48 JR”.
49

50 Hon. Secretary inquired if there is anything they would like to ask about the design
51 of the building. Director Casela commented about the initial fund for the construction
52 of the NTA building to come from the DPWH and this will be first tranche for the
53 construction. To which the Hon. Secretary retorted, how sure can NTA be, “is there
54 a written (document). He then asked the Hon. Administrator whether this is correct.
55 “Is there a written or what? Can I hear it from the Administrator”, he asked. The Hon.
56 Administrator replied that maybe, we will have some MOA or what. That is why we
57 cannot give some update because they were still in La Union. **We have to start the**
58 **project before the election ban.** The Hon. Secretary clarified what the
59 Administrator was saying, **there is no commitment yet for the Php200M.** The
60 Hon. Secretary said he does not want a verbal commitment, as there is no basis. If
61 there is no commitment, he will not entertain that motion. Our recourse is the
62 documents. That is what NTA should have.
63

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53

The Hon. Administrator informed that in the next meeting, he will be sitting down with Usec for Construction, Eder Cadain, so that we can have a written agreement for the PhP200M.

Hon. Secretary then declared, **we will only entertain documented evidences**, documents, not verbal. He said this is the reason why he did not agree with the earlier statement, as where are the documents. He asked Director Casela what was his point. Director Casela informed he earlier asked the Hon. Administrator pertaining to the statements of NTA and that of the DPWH. Will DPWH adhere to the DAED? The Hon. Secretary replied, **“Any engineering design will come back to us.** We will not revised accordingly. So, we have the PhP200M. When the PhP200M will be implemented, what will be covered in the initial design. **We are not talking anymore about redesigning.”**

The Hon. Administrator replied, **“We will be informing the Board right away for any variation** for that matter, Sir.” The Hon. Secretary declared what will be the variation in the design will be the costing because the prices have escalated. It will not be the redesign (of the building/plan?)

2. STATUS REPORT/UPDATE, ACTION TAKEN AND FURTHER ACTION/RECOMMENDATION ON THE DAMAGE ON THE TOBACCO CROP BY THE FREAK RAINS THAT SWEEPED THE TOBACCO GROWING REGIONS.

Asked by the Hon. Secretary to move to the next agenda, the Hon. Administrator introduced the OIC/DAOP to present.

The OIC/DAOP opened saying that, as has been affected in 2019, freak rains, again, affected last January 29 and 30, 2022, the areas of Regions 1, 2 and CAR. He reported that in summary, it damaged **5,304 hectares** of **15,325** farmers out of the total 34,000 farmers, with crop value of **PhP505 million**. The damage report includes that of the NTA assisted and that of the private tobacco buyer firms. His report for the Committee Meeting includes the breakdown of area and farmers affected by provinces and by municipalities

The breakdown of total number and affected farmers and extent of damage, per province/branch was as follows:

BREAKDOWN BY PROVINCE :

PROVINCE/ BRANCH	TOTAL NO. FARMERS	AFFECTED FARMERS	DAMAGED ARA (HAS.)
Abra	2,068	1,200	501
Ilocos Norte	3,760	1,173	400
I.Sur-Vigan	3,999	801	155
I.Sur-Candon	7,208	5,523	2,215
La Uion	4,371	4,845	1,900
Pangasinan	3,488	1,076	126
Isabela	8,730	651	4
Cagayan	464	16	3
Total	34,088	15,335	5,034

As discussed during the Committee Meeting, NTA will be giving emergency cash assistance (ECA) of PhP1,000.00 to all the 34,000 farmers. Additional PhP2,000.00 will be given to farmers whose farms were slightly damaged (less than 50%); and, PhP4,000.00 for farmers whose farms were severely damaged (more than 50%). The assistance will come from the General Appropriations Act (GAA).

At this juncture, the Hon. Secretary queried OIC/DAOP, why give to all the 34,088 farmers, when only **15,355** were affected. Quickly, the OIC/DAOP

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

answered, they were all affected by the pandemic, which is not the reason according to the Hon. Secretary. The Hon. Secretary informed these (tobacco) farmers are rice farmers, too. They were repeatedly given assistance, PhP5,000 from the RTL(Rice Tariffication Law), then another PhP5,000 from the RFEF and there will be another one coming. Of course, everyone was affected by the pandemic, but what is being discussed about, this time, is freak rains and nothing more. So the **money should be divided among the 15,355 affected farmers**. Anyway, we already have given for the pandemic, so that is no longer a problem. They will be given again, this time, for Rice, starting April. The Hon. Secretary did not want to accept pandemic. He directed to **just concentrate on those affected, minus the almost 20,000 unaffected farmers** that will be added. He said he believes there is a need to recalculate, to give only to the affected farmers. He said he knew **NTA has the inventory of farmers affected in its listing**. NTA should give **not only PhP1,000** but to **divide to them equally**, (so that there will be no squabbling), the money that will be coming from Senator Bong Go and from the DA, so it is **PhP100M in all**, for those farmers, **who were affected only**.

When the Hon. Secretary asked for any discussion, Director Casela moved for the deferment of the Agenda for further study. The Hon. Secretary, however, quickly said no, saying, "We should decide now, not for the next meeting. Maraming analysis na pwedeng mangyari. Maibigay na agad habang may pera ka pa. Let us decide in today's meeting. I don't want this to be deferred. So, **PhP5,246 per tobacco farmer**. Iyong hindi apektado, di ba kayo nagsabi noon, mayroon naman kami ibinigay na PhP5,000, under farmers rice assistance. Magbibigay kami this year, starting April. Iyon ang ibig sabihin ng ECA, kung sino apektado. Hindi lahat pwede. Can we approve it right now, for the equally affected, based on the money na PhP100 million? **Ibukod mo na PhP16million for Ilocos Norte**, then the remaining balance, i-divide mo na equally among the affected farmers".

Director Quintal responded, considering the nature of the ECA, he moved for the approval of the **PHP100M, less PhP16M, for Ilocos Norte**, divided by the affected farmers. The Hon. Secretary asked whether there is any second or any objection. The Hon. Administrator said let us approve.

The NTA Governing Board therefore adopted the following resolution, to wit:

RESOLUTION NO. 2121- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Implementing Guidelines for the Emergency Cash Assistance (ECA), as adjusted accordingly, to divide the PhP100 million, minus the PhP16 million for Ilocos Norte, equally among the 15,355 tobacco farmers, affected by freak rains."

UNANIMOUSLY APPROVED

- 3. REPORT UPDATE:**
- A. PREPARATION OF GUIDELINES AND CRITERIA FOR PRIORITIZATION OF FARMER-BENEFICIARIES FOR THE PHP50M EMERGENCY CASH ASSISTANCE PROJECT FROM SENATOR BONG GO (FOR APPROVAL)**



1
2
3
4 **B. PREPARATION/SUBMISSION OF REQUEST FOR PHP50 MILLION**
5 **SUPPLEMENTAL ECA FROM DA-CALAMITY FUND FOR THE FARMERS**
6 (SUBMITTED WITH THE ATTACHED GUIDELINES, DAMAGE REPORT, LISTING AND
7 LETTER REQUEST FROM THE FARMERS GROUP)
8

9 (It is worth noting that the Hon. Secretary already approved NTA's request
10 before the start of the Board Meeting and forwarded NTA's letter-request, with
11 marginal note/instruction, to Usec Ariel Cayanan/Asec Arnel De Mesa).
12

13 As the Hon. Administrator continued, "Let us adopt, approve the PhP50M from the
14 DA", the Hon. Secretary replied, **that was already approved.** He then directed, to
15 just **follow-up with the DA**, as it has already written the DBM, requesting for
16 PhP1billion, the PhP50M of which will go to NTA. **The guidelines was already**
17 **approved a while ago. NTA has just to adjust accordingly, based on the**
18 **affected farmers.**
19

20
21 **4. STATUS REPORT AND GUIDELINES ON THE DISTRIBUTION OF WHATEVER**
22 **REMAINS (UNDISTRIBUTED) OF THE AGRI. INPUTS/FERTILIZERS, DUE TO LATE**
23 **DELIVERY, TO TOBACCO FARMERS TO BE USED IN THE ENSUING CROPPING**
24

25 The Hon. Administrator introduced the topic and the OIC/DAOP to report.
26

27 The Hon. Secretary interjected, he has just a reminder to Management, about
28 the freak rains. He said, **before planting, Management should inform all the**
29 **tobacco farmers, that they should enroll with the PCIC.** If they will not
30 enroll, they will not be given indemnification. So they must enroll at the start of
31 the tobacco planting. **This should be mandated already by the**
32 **Administrator. Have all of them enrolled at the PCIC** so that there will be
33 assistance during freak rains or calamity.
34

35 The OIC/DAOP reported there are inventory of fertilizers, when there are some
36 reduction in area. Application took three (3) months. Some farmers shift to
37 other crops due to unavailability of crops (?) and manpower.
38


39 The OIC/DAOP explained that:
40

- 41 1. All **undistributed farm inputs shall be an inventory** of the branch office.
42 They can be **provided as production assistance** to farmer-cooperators
43 (FCs) of NTA projects. The production assistance is **recoverable.**
44
- 45 2. The **branch office will recruit farmers to replace FC's who withdrew** from
46 the project.
47
- 48 3. **FC's will need to apply** to secure documents and promissory notes. The
49 replacements shall follow same process in the application of production
50 assistance ng project ng NTA.
51

52 Production Assistance will be **covered with MOA and promissory note**, duly
53 signed by FCs, including the amount and schedule of payment.
54

55 This will be **payable within 6 months**, from proceeds from sales of farmers
56 produce. This will have an **administrative charge of 2%** per annum (net of 40%
57 subsidy) and **processing fee of 1%** of production assistance.
58

59 The **prioritization of farmers to be given** shall be:
60

- 61 1. TCGS farmers to replace FCs who withdrew;
 - 62 2. Interested non-TCGS farmers for the same cropping season;
- 

- 1
2
3
4 3. Interested farmers who will use the inventories for other crops (rice,
5 corn, etc.) during the same cropping season; and,
6 4. FCs of other NTA projects for the next planting/cropping season
7

8 The Hon. Secretary explained that the reason why they are already giving all these
9 (inventory) and why he agreed that these should be given this season is that **he**
10 **likes these to be used this season not only for tobacco but for any crops** that
11 will follow because we like the **tobacco farmers to become rich**, not only coming
12 from tobacco but coming from other crops. He continued, he cannot wait for
13 another season - December planting, January planting, before giving again, as
14 there will have another budget next time around. They should bring these out as
15 he did not want this be left with the "inventory". If the **farmers have the money**
16 **already, that would mean they will be highly competitive**. They can engage
17 with higher services after tobacco, so that **they can have more income and be**
18 **more food-secured**. If the **farmers have secured income already, that is the**
19 **full logic**, not only from tobacco. He, therefore, did not buy the proposal of
20 distributing the inventory for the next season.
21

22 When Director Quintal suggested they have to simplify the requirements, the Hon.
23 Secretary replied, they may lose the opportunity because time is gold. The
24 tobacco season will be ending soon. The farmers will be planting other crops.
25

26 As Director Quintal **suggested to give it free to tobacco farmers**, for other
27 crops, so that there will be no more inventory, the OIC/DAOP requested the Hon.
28 Governing Board, **that the inventory to be given free to farmers**.
29

30 Hon. Secretary interposed, **"Administrator, can you give that?"** The Hon.
31 **Administrator immediately moved for the approval, as amended**.
32

33 The Hon Secretary clarified, "so, all the inventories shall be given free to all
34 tobacco farmers so that they can engage to other enterprises after tobacco.
35 Ganoon ba? Okey yon. Okay with that motion. Any second?" Director Quintal
36 seconded the motion.
37

38 Hearing no objection, the Hon Secretary declared the motion is approved, as **he**
39 **directed to recast the guidelines accordingly**. "We give these inventories free,
40 accordingly, to the tobacco farmers. **Adjust ninyo na lang ito, kasi time is of the**
41 **essence. Dapat magtanim na sila ng mais or vegetables**. Ito iyong ibig sabihin
42 ng pagbibigay ng inventory na ito."
43

44 Recast the guidelines accordingly. Time to withdraw by the farmers should be just
45 enough time for farmers to be ready with the inputs, not too early.
46

47 The NTA Governing Board adopted the following resolution for the purpose:
48

49 **RESOLUTION NO. 2122 - 2022**

50
51 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED,**
52 **THAT** the NTA Governing Board approves the Implementing
53 Guidelines for the Distribution of Whatever Remains
54 (Undistributed) of the Agri. Inputs/ Fertilizers, Etc., Due to Late
55 Delivery, for Free to Tobacco Farmers, immediately for their
56 next cropping this year, as recasted, so that there will be no
57 more inventory."
58

59 **UNANIMOUSLY APPROVED**
60 -----

1
2
3
4 **4. FORMULATION OF GUIDELINES FOR THE IMPLEMENTATION /**
5 **ADOPTION OF A "VOUCHER SYSTEM" OF PROVIDING ASSISTANCE**
6 **TO FARMER-COOPERATORS OF NTA PROGRAMS/ PROJECTS**
7


8 The Hon. Administrator introduced OIC/DAOP to do the presentation and
9 Director Quintal to provide the summary of discussion and recommendation.
10

11 The Hon. Secretary directed that they should prepare a power point
12 presentation. They should not present all paragraph, from sentence to
13 sentence. He saw all the documents were shown on the screen. It is not the
14 contemporary presentation.
15

16 OIC/DAOP reported that for the last cropping season 2020-2021, affected by
17 climate change because of typhoon. There was increase in the cost of
18 production. Farm inputs has escalated because of the pandemic restriction.
19 The late delivery of inputs brought by escalated (?) under RA 8194, resulted
20 to the delay in the delivery of inputs. To adopt the voucher system to full
21 delivery of farm inputs such as fertilizers and suckerides, to FCs under the
22 NTA project (reporting).
23

24 The Hon. Secretary related he liked the whole idea (of the input vouchering
25 system) subject to continuing verification. He shared from actual experience,
26 from what he was doing now here at the Central Office, some points for
27 improvement to consider while implementing this voucher system. This will
28 reduce corruption during procurement, during distribution and the like. He
29 said **first, be sure that the turn around time must be short.** Once given to
30 the dealers, the Branch Office should already know. If prolonged, the dealers
31 may **make/add "patong"**. **Validation** by the Branch Office should **be fast.**
32 **Payment** by the Branch Office **should be fast.** **Second,** from time to time,
33 **there should also be monitoring and surveillance.** Keep watch between
34 farmers and input dealers, to make sure that there will be **no collusion**
35 **between them.** The farmers may take the cash and not the input. So, we
36 have to build up the monitoring system. Our technicians should visit to
37 validate whether the farmers are getting the right inputs. Conduct on the spot
38 monitoring. **Third,** we have to **continuously educate the farmers** that this is
39 for them and that they will use this properly otherwise they will not be given
40 next time around. As Director Quintal said we have to adopt, the Hon.
41 Secretary replied that **next cropping season, all of this should be in place**
42 **already.**
43

44 At this juncture, Director Martinez mentioned that giving the voucher is a
45 **matter of time,** so that we will not be **"bad shot" to the suppliers.** The
46 **farmers should use the vouchers right away so that suppliers will be**
47 **paid immediately, too.**
48

49 **The Hon. Secretary agreed,** the farmers must encash the vouchers, the
50 inputs indicated in the vouchers **within two (2) weeks** to give leeway to their
51 need for planting. They may sell the agricultural inputs. That **we have to be**
52 **watchful,** so that before they plant, the inputs are already ready, that they
53 will **actually use them in their planting and not for anything else.** As the
54 Hon. Secretary asking for any other ideas, **he issued his last warning** that if
55 **they commit (violation?) this time we are helping them,** they must
56 believe, this time, that **they will be expelled from the group.** The Hon.
57 Administrator repeated, If they commit mistakes, they will be expelled from
58 the group. On the other hand, Director Casela stated that to jeopardize the
59 production technology, what is **prescribed farm inputs** being recommended,
60 **no substitution be allowed.** This will be subject to monitoring. The Hon. 

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62

Secretary advised, you also have your own merchants, you should tell them about the voucher system, so that they can already prepare, inputs should already be available during the time as needed. Another idea is the **proper timing**, set of timeline considering the preparation so that there will be no aberration. The Hon. Secretary then asked for any motion to approve the guidelines about the farm input vouchering system or any additional ideas that they can suggest. Director Trongco move for the approval of the farm inputs vouchering guidelines. Director Casela seconded the motion.

The NTA Governing Board adopted for the purpose the following resolution, such as:

RESOLUTION NO. 2123 - 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Implementing Guidelines for the Production Input “Vouchering System” of Providing Production Assistance to Farmer-Cooperators of NTA programs/ projects, as discussed / amended.”

UNANIMOUSLY APPROVED

C. REQUEST FOR APPROVAL OF THE NTA CORPORATE OPERATING BUDGET (COB) FOR CY 2022

(This was recommended to be deferred on issues of incomplete financial data, budget and plan coordination, program/project alignments/harmonization. Board Committee on Audit & Finance re-scheduled the hearing/ presentation to 2nd week of March.)

The Hon. Secretary declared #C is deferred and move for the discussion of Director Casela’s proposal.

VI. OTHER MATTERS

A. REQUEST OF THE FARMERS OF ABRA FOR 20% SUBSIDY

The Hon. Secretary declared this is the time for the request of Director Casela to be enhanced.

Director Casela informed that this was brought about by the Hon. Administrator, about the tobacco farmers of Abra, requesting for 20% subsidy. However, he would like that the discussion on the matter be deferred at the moment, as he would like the farmers of Abra to submit their letter-request. The request should include the listing of farmers, and the justification for their request for subsidy.

He ended his discussion saying that **due diligence is needed** and that Management should study the said request.

B. PROPOSED SCHEDULE FOR THE 150TH REGULAR BOARD MEETING WILL BE ON 10 MARCH 2022, THURSDAY, 2:00 PM.

The Hon. Secretary directed the Hon. Members to please calendar March 10, for the next Board Meeting. He said he will be requesting Usec Leo to preside because he will be abroad, in Bangladesh.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56

He ended by instructing to follow-up with Asec De Mesa the PhP50 million so that they can already be given to the more than 15,000 tobacco farmers and more than the PhP5,000 we are giving to rice farmers.

VII. ADJOURNMENT

As there are no other matters to discuss, Director Trongco moved and Director Casela seconded the motion to adjourn the meeting.

The Hon. Secretary officially adjourned the meeting at about 3:58 P.M.

-----ooo0ooo-----

PREPARED AND CERTIFIED CORRECT:

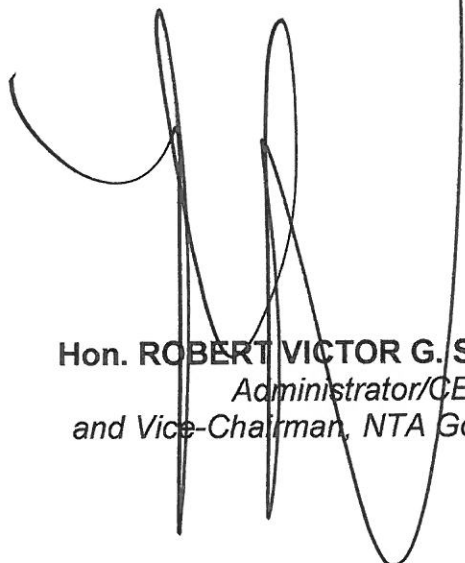


REX ANTONIO P. TEOXON
Board Secretary V

ATTESTED:



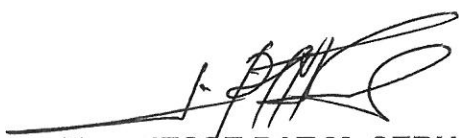
Hon. WILLIAM D. DAR, Ph.D.
*Secretary, Department Agriculture
and Chairman, NTA Governing Board*



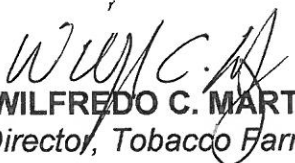
Hon. ROBERT VICTOR G. SEARES, JR.
*Administrator/CEO
and Vice-Chairman, NTA Governing Board*

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

Hon. LEOCADIO S. SEBASTIAN, PhD., CESO I
Undersecretary and Chief of Staff, Ex-Officio Member



Hon. JESSE PAT M. SERNA
Appointive Director, Tobacco Manufacturing Sector



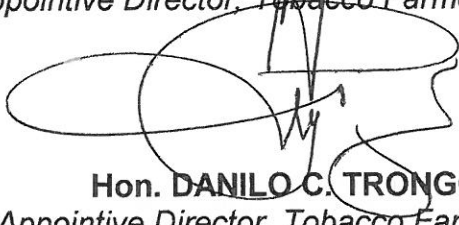
Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector



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



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



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



Hon. WILSON R. VICTORIO
Appointive Director, Tobacco Traders/Exporters Sector



OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND FORTY NINTH (149TH) REGULAR MEETING
OF THE NTA BOARD OF DIRECTORS, HELD AT THE BOARD ROOM,
3/F BEN- BLDG., 1184 QUEZON AVENUE, QUEZON CITY
11 FEBRUARY 2022 (2:00 PM)**

PRESENT:

**Usec LEOCADIO S. SEBASTIAN, Ph.D., CESO I - Chief of Staff/Ex-Officio Member,
Presiding Officer**
**Adm. ROBERT VICTOR G. SEARES, JR.- Vice-Chairman of the Board and
Administrator/CEO**
Dir. JESSE PAT M. SERNA - Member, Manufacturing Sector
Dir. NESTOR C. CASELA - Member, Academic Community Sector
Dir. WILFREDO C. MARTINEZ - Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL - Member, Tobacco Farmers Sector
Dir. DANILO C. TRONGCO - Member, Tobacco Farmers Sector
Dir. WILSON R. VICTORIO - Member, Trader/Exporter Sector

OTHERS PRESENT:

Engr. CESARIO G. SAMBRANA - OIC/Deputy Admin. for Operations
Atty. JUN FRED V. PARADO - Legal Officer V, Office of the Admin.
Ms. FORTUNA C. BENOSA - Manager, Corplan Department
Atty. ROHBERT A. AMBROS - Manager, Regulation Department
Ms. DINAH E. PICHAY - Manager, Internal Audit Service
Mr. RAMON R. MUNCAL - Stenographer III
Mr. REX ANTONIO P. TEOXON - Board Secretary V

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER

Atty. Jun Fred V. Parado, OAD/Legal Officer V, led the opening prayer.

II. CALL TO ORDER

As directed, Hon. Undersecretary Leocadio S. Sebastian, Ph.D., CESO I, Chief of Staff (COS) and DA Senior Official, duly designated by the Honorable Secretary as Ex-Officio Member of the NTA Governing Board, presided the meeting, in place of the Hon. Secretary and Chairman of the NTA Governing Board, William D. Dar, Ph.D.. He called the meeting to order at about 2:03 P.M..

III. DETERMINATION OF QUORUM

The Corporate Secretary declared that with the majority of the members present, there is a quorum for the 149th Regular Meeting of the NTA Governing Board. In addition to the Hon. Presiding Officer and Hon. Administrator/CEO and Vice-Chairman of the Governing Board, he acknowledged the presence of the Honorable Directors Nestor Casela, Jesse Pat Serna, Teofilo Quintal, and

1 Danilo Trongco. Due to internet connection issues, Hon. Directors Wilfredo
2 Martinez and Wilson Victorio were able to come in a little later.
3
4

5 **IV. APPROVAL OF THE AGENDA OF THE 149TH REGULAR MEETING OF THE**
6 **NTA GOVERNING BOARD HELD THIS 11TH FEBRUARY 2022, AT THE BOARD**
7 **ROOM, 3/F BEN-LOR BLDG., 1184 QUEZON AVE., QUEZON CITY**
8

9 Moving forward, the Honorable Chief of Staff (COS) asked whether there is any
10 additional item before approving the Agenda.
11

12 The Honorable Administrator/CEO interposed, he would like to introduce under
13 Other Matters, the Request of Management for Authority to Implement the CPCS
14 (Compensation and Position Classification System) under Executive Order No. 150,
15 series of 2021, as approved by the Governance Commission for GOCCs.
16

17 The Hon. COS commented that it is a major item for approval and, therefore, should
18 be included in the main agenda. Asked what item will it be, the Corporate Secretary,
19 replied "It will be item "F". Then Hon. COS okayed, item "F", then asked for a motion
20 to approve the Agenda, as amended. Director Casela moved and Director Quintal
21 seconded the motion.
22

23 For the purpose, the NTA Governing Board adopted the following resolution:
24

25 **RESOLUTION NO. 2111- 2022**
26

27 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
28 **the NTA Governing Board approves the Agenda of the 149TH**
29 **Regular Meeting of the NTA Governing Board held this 11 February**
30 **2022, at the Board Room, 3/F Ben-Lor Building, 1184 Quezon**
31 **Avenue, Quezon City, as amended, to include the Management's**
32 **request for authority to implement the Compensation and Position**
33 **Classification System (CPCS), pursuant to Executive Order No.**
34 **150, as approved by the Governance Commission for the GOCCs**
35 **(GCG)"**
36

37 **UNANIMOUSLY APPROVED**
38 -----
39
40

41 **V. FOR APPROVAL/CONFIRMATION/CONSIDERATION:**
42

43 **A. MINUTES OF THE 148TH REGULAR MEETING OF THE NTA GOVERNING**
44 **BOARD HELD ON 21 JANUARY 2022, AT THE BOARD ROOM, 3/F BEN-LOR**
45 **BLDG., 1184 QUEZON AVENUE, QUEZON CITY**
46

47 Moving forward, the Hon. COS reminded that as in the previous approval of the
48 Minutes, "we will approve the Minutes of the 148th Regular Board Meeting, with the
49 provision for any member to submit any comments/corrections, within 5 days from
50 this meeting".
51

52 With the Hon. COS asking if anyone moving for the approval, the Hon.
53 Administrator moved and Director Trongco seconded the motion "for the approval
54 of the minutes previous meeting (148th Regular Meeting), with the provision for any
55 member to submit any correction, within 5 days from this meeting".
56

57 The NTA Governing Board, therefore, adopted the following resolution, to wit:
58
59
60

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59

“RESOLUTION NO. 2112- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Minutes of the 148TH Regular Meeting of the NTA Governing Board, held this 21 January 2022, at the Board Room, 3/F Ben-Lor bldg., 1184 Quezon Avenue, Quezon City, with the provision for any member of the Governing Board to submit any correction to the Minutes within five (5) days after this meeting.”

UNANIMOUSLY APPROVED

B. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETINGS:

Proceeding to the discussion of Matters Arising from the previous meetings, the Hon. Administrator presented each item one after the other, as follows:

1. PRESENT TO THE BOARD NEXT TIME: EXTENT OF COVERAGE OF THE PHP200 MILLION (M) FROM THE DPWH - PHASE I OF THE CONSTRUCTION OF THE NTA BUILDING VIS-A-VIS APPROVED DESIGN

The Hon. Administrator reported that:

- a. The **“extent of construction coverage”** vis a vis approved design’ of the NTA building **cannot be determined yet**, especially that **adjustments** have to be made, especially with the **increase in the prices of construction materials**, like steel bars.
- b. The DPWH will take care of the bidding and the construction of the project. He was informed of the MOA that was signed by his late father, which should provide the basis for the project. He added, the DAED (Detailed Architectural and Engineering Design) was already given to them in advance so that the project will push through.
- c. The budget has been considered as **“for later release”**. **“We have to write the President, as was discussed with the OP. We will be asking for the approval of the President”**

The Hon. COS asked whether the Budget Office was aware of this because they should be declaring the increase in the amount. The Administrator responded he is closely coordinating with Finance Department. He will be informing the Board in the next Board Meeting.

The Hon. COS informed that the usual process in the DA is to write the DBM and endorse it to the President. Then, the President will release the amount.

He ended saying that if NTA needs any help, DA Budget Office will be ready.

2. REPORT UPDATE: PREPARATION OF GUIDELINES AND CRITERIA FOR PRIORITIZATION OF FARMER-BENEFICIARIES FOR THE PHP50M EMERGENCY CASH ASSISTANCE PROJECT FROM SENATOR BONG GO

The Hon. Administrator introduced the item, identifying the DAOP (Deputy Administrator for Operations) and Office of Administrator as the responsible offices. In the absence of the DAOP, who was supposed to give the report, the

1 The Hon. Administrator, then, reported that early this morning somebody called
2 up from the office of Ben Tulfo, pertaining to a complaint against ULPI
3 (Universal Leaf Philippines Inc.), pertaining to its commitment of PHP30K.
4 While this may not be NTA's concern, we really would like to extend assistance
5 to all the farmers, whoever they may be.. We also would like to discuss the
6 matter with ULPI.

7
8 (In the Committee Meeting, the assistance also includes the restructuring of
9 loans of the farmers, following earlier policy adopted by the NTA)

10
11 The Hon. Administrator introduced the next item, with the DAOP as the
12 responsible office and, again, with Director Quintal reporting.

13
14
15 **3. IMPLEMENTATION OF ALTERNATIVE/REMEDIAL MEASURE FOR THE**
16 **TCGS FARMER-COOPERATORS, WHO WERE ADVERSELY AFFECTED**
17 **BY THE LATE DELIVERY OF FERTILIZER INPUTS (BASAL).**

18
19 The Hon. COS asked Director Quintal whether the pending referendum
20 approval has already been approved. Per reply, the Hon. Administrator and the
21 Hon. Secretary have yet to sign the referendum resolution.

22
23 Director Quintal narrated that they had a meeting with the Hon. Secretary, in
24 order to mitigate (the adverse effects of) the late deliveries of these fertilizers,
25 and after these late deliveries of inputs. The farmers may still use these
26 fertilizers for crops other than tobacco and that the guidelines must be
27 presented for the purpose. They therefore asked the DAOP as to the what
28 inputs have not yet been delivered where he claimed, only desuckerides
29 remained undelivered. DAOP promised to submit records of stocks

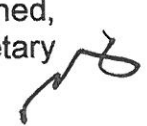
30
31 The Hon. COS interjected Director Quintal has advanced the discussion. He,
32 therefore, redirected to proceed with the discussion of item 4. Director
33 answered status report on the distribution.

34
35 The OIC/DAOP clarified that everything was already delivered, except for
36 desuckerides (which is used for topping of tobacco). The supplier said the
37 desuckerides will arrive by February 15. According to the supplier, there will be
38 a problem of supply of desuckerides.

39
40 What we have discussed a while ago is what to do with the farm inputs that
41 were delivered late. The DAOP informed that there was already this PHP7M that
42 has been allocated and approved by the Governing Board and Management, for
43 the purchase of biostimulants, for the members of the TCGS. He said this was
44 already approved.

45
46
47 **4. IMPLEMENTATION OF ALTERNATIVE/REMEDIAL MEASURE FOR TCGS**
48 **COOPERATORS, WHO WERE ADVERSELY AFFECTED BY THE LATE**
49 **DELIVERY OF FERTILIZER INPUTS (BASAL)**

50
51 Due to the urgency of the measure, **Guidelines for the Release of Cash**
52 **Assistance to Farmers for the Purchase of Biostimulants** was passed for
53 referendum approval, dated 03 February 2022. As earlier discussed, the
54 DAOP informed that all the Members of the Board have already signed,
55 except for the Honorable Administrator/CEO and the Honorable Secretary
56 and Chairman of the Governing Board.



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

5. **STATUS REPORT AND GUIDELINES ON THE DISTRIBUTION TO TOBACCO FARMERS OF WHATEVER REMAINS (UNDISTRIBUTED) OF THE AGRI. INPUTS/ FERTILIZERS, DUE TO LATE DELIVERY, TO BE USED IN THE ENSUING CROPPING**

Director Quintal opened his discussion claiming that this is what he was referring to in his earlier discussion of late deliveries, that it is only desuckerides now that remain undelivered. The inputs were late but we did not know up to this time.

The OIC/DAOP responded, he would like to clarify the issue. He reported that all the farm inputs were already delivered, except for desuckerides (used for topping, which as per earlier information will be arriving by 15 February.

The OIC/DAOP will submit an updated report by Monday. .

In addition, he also promised to submit the implementing guidelines in the next Board Committee meeting, tentatively set 18 February 2022.

5. **ACTION PLAN/TIMELINE AND BUDGET FOR THE CONDUCT OF REGULATORY IMPACT ASSESSMENT OF THE DA-NTA JOINT MEMORANDUM CIRCULAR IMPLEMENTING THE SYSTEM OF DOCUMENTATION AND REPORTING OF TOBACCO ACCEPTANCES AND ISSUANCE OF CERTIFICATION OF TOBACCO PRODUCTION (AS APPROVED PER RESOLUTION NO. 2105- 2022)**

Introduced by the Hon. Administrator, Director Victorio said he did not have a copy of the report.

Director Quintal volunteered the information that since it was discussed yesterday, it was approved yesterday but some members of the Board were not given the context of this Circular and seemed not assured of the success of the implementation of the project. Still, he moved for the approval of the action plan for the documentation, as approved per 2106-2022.

Director Casela, on the other hand, reported that in the discussion of the agenda, as far as this is concerned, it was already approved in principle, but was lacking some documents, like budget for implementation. Director Quintal, therefore, requested Atty. Ambros to provide all members a copy of the documents to peruse and they already have a copy. That is why Director Quintal was already moving. The Hon. Administrator seconded the motion.

For the purpose, the NTA Governing Board adopted the following resolution, to wit:

RESOLUTION NO. 2113- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Action Plan and Budget for the Conduct of the Regulatory Impact Assessment of the DA-NTA Joint Memorandum Circular No. 001-2022, Implementing the System for Documentation and Reporting of Tobacco Acceptances and Issuance of the Certification of Production of Local Government Units (LGUs), Pursuant to Republic Act Nos. 7171 and 8240 (As approved per Resolution No. 2105-2022).”

UNANIMOUSLY APPROVED



1
2 The Hon. COS declared the Regulatory impact assessment is approved then
3 moved forward to the discussion of item 6.
4
5
6

7 **6. REVISED ACTION PROGRAM FOR – KAHUYANG PANGKABUHAYAN AT**
8 **PANGKALIKASAN (KPP) - BEEMA BAMBO COMMERCIAL PRODUCTION**
9 **COMPONENT**

10
11 The Hon. Administrator introduced the DAOP to discuss.
12

13 The DAOP related that the revised proposal was discussed in the Committee
14 Meeting yesterday. He said that originally the budget for the project was PhP22M.
15 The adjusted budget, however, considering the availability of materials, 10,000 for
16 tissue- cultured, then propagules which will come form the branches of the plants.
17 He said they were able to determine that Nueva Segovia has the seedlings, which
18 will be ready for planting by July. The price has been reduced from PhP460 to
19 only PhP406, which was already reflected in the budget. For the propagules, the
20 cost is PhP100 apiece. The proposal, therefore, is to plant 10,000 tissue-cultured
21 seedlings and 20,000 propagules. The resulting budget thus becomes more than
22 PhP10M and PhP4M for the tissue-cultured and for the propagules PhP2M only. In
23 the initial year, we still be planting this kind of bamboo so that in the succeeding
24 years we will be getting the tissue of this bema bamboo and we will be the one
25 producing the beema bamboo so that there is no more provision in the budget.
26 We will be training our staff, including that of FTSD for the tissue culture, so that
27 we can produce the planting materials for the succeeding years for the expansion
28 of the project. The budget is PhP10M.
29

30 The DAOP continued his explanation that in the Committee meeting, he asked the
31 Governing Board for a budget of more than PhP10M, so that they can proceed
32 with their activities, the procurement of materials in accordance with the provision
33 of RA 9184, so that they can already have a public bidding. He concluded, this is
34 the proposal of the operation group. The Group now is asking for the approval of
35 the allocation of more than PhP10M so that they can proceed with the activities
36 this year and the ensuing years.
37

38 Director Casela commented that they do agree on the implementation of the
39 project. The Finance Department, however, _ as to the budget. There was a
40 clarification, there was an existing fund by virtue of the remaining fund of KPP
41 (Kahuyang Pangkabuhayan at Pangkalikasan), which is an ongoing project. The
42 Beema bamboo project is a component of the KPP. Director Casela said "I do not
43 think there would be a problem with beema. There is no problem as to the budget".
44

45 At this juncture, the Hon. COS said "I would like to convey the message of the
46 Secretary. He does not support the current PhP400 plus amount for tissue-
47 cultured" (bamboo seedlings). Namamamahan siya sa PhP400 na presyo". For
48 his part, however, the Hon. COS asked what is the difference between tissue-
49 cultured and propagules and the NTA's explanation for same. The DAOP replied
50 that what he knew is that the Beema Bamboo, tissue cultured, that will be coming
51 from India, will be first generation. That they were able to canvass, the source of
52 same will be Nueva Segovia. They also found ULPI as a source of the
53 propagules, which also came from tissue culture that they planted under their
54 project today.
55

56 The DAOP informed it will take two years if we are to import. But initial information
57 from some resource persons indicates that with propagules, recovery was very
58 good. They noted the propagules will surely grow while for tissue culture, the
59 mortality rate is high. The Hon. COS said bamboo is clonally propagated. DAOP
60 asserted we can try tissue culture and propagules. Our knowledge of bamboo is

1 limited to the traditional bayog. If propagule is beema, why not beema propagule.
2 When asked about its advantages, Director Quintal said for nodal, it will be very
3 slow while tissue culture is for mass propagation. You also use tissue culture if
4 difficult to grow. The Hon. COS asked whether there is still a tissue cultured lab in
5 Batac. The DAOP said yes and they will be preparing their people for the job so
6 we can operate that lab. "Maganda rin may testing".
7

8 At this point, the Hon. COS asked if its okay with the Members of the Board to
9 approve the project, minus the tissue culture, subject to canvas and exploration of
10 sources, verification and studies and others.
11

12 (It may be noted that the Project was endorsed for approval during the committee
13 meeting.)
14

15 Director Casela said the matter has been discussed lengthily and liked the matter
16 on capability enhancement. He, therefore, moved for the approval of the project,
17 with the exclusion of the tissue culture issue, depending on further research on the
18 objectives with respect to tissue culture. Director Trongco seconded the motion.
19

20 The Governing Board, therefore, adopted the following resolution for the purpose:
21

22 **RESOLUTION NO. 2114- 2022**
23

24 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED,**
25 **THAT** the NTA Governing Board approves the Revised Action
26 Program of the Kahuyang Pangkabuhayan at Pangkalikasan
27 (KPP) - Beema Commercial Production Component, **minus the**
28 **tissue culture**, which will be subject to further canvassing and
29 exploration of sources, verification and studies."
30

31 **UNANIMOUSLY APPROVED**
32 -----
33

34
35 **C. STATUS REPORT/UPDATE, ACTION TAKEN AND FURTHER ACTION/
36 RECOMMENDATION ON THE DAMAGE ON THE TOBACCO CROP BY THE
37 FREAK RAINS THAT SWEPT THE TOBACCO GROWING REGIONS**
38

39 Director Quintal was introduced by the Hon. Administrator to give the report.
40

41 Director Quintal informed that PhP7M from the COB will be for the buying of
42 biostimulants that will be given to the farmers according to their needs.
43

44 The DAOP complemented the biostimulants will be given to the farmers who
45 were affected by the delay in the delivery of fertilizers, but aggravated by the
46 freak rains. Biostimulants will be given to those whose plants still have the
47 chance of recovering. He noted this also happened to the farmers last year,
48 where farmers suffered severe loses.
49

50 As to actions to take he said all affected farmers will be given PhP1,000 each.
51 Additional amounts will be given according to the degree of severity of damage.
52

53 He reported the assessment of damages is almost complete. As of date, the
54 report indicates, in summary, as follows:
55

56 **Total farmers affected: 15,335 farmers**
57 **Total area damaged: 5,303.98 hectares**
58 **Estimated amount of damage: PHP505.06 million**
59
60

1
2 **Breakdown:**
3

4 **NTA –Financed TCGS (contract growers): 6,105**
5 **Area damaged: 1,783.81 HECTARES**
6 **Estimated amount of damage: PHP158.23 MILLION**
7

8 **T. Buyer Firm - financed TCGS : 9,230**
9 **Total area damaged: 3,520.17 HECTARES**
10 **Estimated amount of damage: PHP346.83 MILLION**
11

12 **He said some adjustments may be made as:**

- 13 - Some areas may still recover
14 - Freak rains occurred in some areas
15

16 He will be presenting by presenting by province and by municipality.

17
18 The NTA'S Damage Report will also be submitted to the DA (Central/ Regional
19 Offices for inclusion in the overall report and for possible assistance.
20

21 The Hon, COS commented that the DA has always some funds for calamity
22 assistance for the farmers.
23

24 He advised NTA should work faster due to election ban, "Bilisan. Baka
25 maelectioneering". He asked what action will be needed (on the item), the Hon.
26 Administrator said "none" (yet, at this point).
27
28

29 **D. ESTABLISHMENT OF A PROVIDENT FUND FOR THE NATIONAL TOBACCO**
30 **ADMINISTRATION OFFICIALS AND EMPLOYEES AND AUTHORITY TO SEEK**
31 **APPROVAL/ENDORSEMENT THEREOF BY THE DA SECRETARY/CHAIRMAN OF**
32 **THE NTA GOVERNING BOARD, GOVERNANCE COMMISSION FOR GOCCs AND**
33 **THE OFFICE OF THE PRESIDENT**
34

35 Earlier the Hon. Administrator conveyed he would like this Provident Fund to
36 serve as a legacy of the administration to the NTA employees
37

38 The Hon. Administrator introduced the Chairman of the Board Committee on
39 Audit and Finance, Director Casela to present.
40

41 Director Casela discussed that the Provident Fund is a savings and loan
42 scheme for the benefit and welfare of the employees. He said Atty. Ambros will
43 provide the details of discussion later on.
44

45 The legal basis, concept, benefits and advantages were presented. The fund
46 will be built from the contributions of the employees amounting to 3% of their
47 basic salary and the counterpart fund of the office of 10% of the basic salary.
48 The employees will benefit from the dividends to be declared and more, for their
49 welfare.
50

51 Director Casela informed the Office used to have this long before but was
52 stopped. This will therefore be for the purpose of continuing the scheme. He
53 informed this was already endorsed for approval by the Governing Board
54 yesterday (in the committee meeting).
55

56 The COS wondered why it is only now that this is established in the NTA, where
57 this has long been implemented in other offices, including Philrice (1990 pa?)
58 that he led. The Hon. Administrator supplemented NTA has a GAFI (Gintong
59 Alay Foundation Inc.) now, but it is purely from employees' contribution, without
60 government counterpart.

1
2 The Hon. COS remarked Provident Fund is okay, but sharing has to be clarified.
3 There is no problem when corporate funds will be used. If the share will come
4 from the subsidy, it is different. He advised there are still some studies to be
5 made and clearances that have to be obtained from appropriate agencies like
6 COA and DBM. However, he declared, "In principle, we should approve, based
7 on the law that was mentioned".
8

9 Asked for a motion by the Hon. COS, the Hon. Administrator moved and
10 Director Casela seconded the motion to approve.

11
12 The NTA Governing Board therefore adopted the following resolution:

13
14 **RESOLUTION NO. 2115- 2022**

15
16 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the
17 NTA Governing Board **approves, in principle,** (subject to
18 coordination with appropriate agencies, like Department of Budget and
19 Management (DBM), Commission on Audit (COA) and others, on
20 pertinent provisions for clearance), **the Establishment of Provident**
21 **Fund for the National Tobacco Administration (NTA); and, the**
22 **Authority to seek approval/ endorsement thereof by the DA**
23 **Secretary/Chairman of the NTA Governing Board, Governance**
24 **Commission for GOCCs and the Office of the President"**.
25

26 **UNANIMOUSLY APPROVED**
27 -----
28

29
30 **E. REQUEST FOR BOARD RESOLUTION, DESIGNATING RESTY C. CAMBE,**
31 **ACCOUNTANT IV, FINANCE DEPT., AS THE NTA REPRESENTATIVE/**
32 **OFFICER, AUTHORIZED TO USE THE ELECTRONIC FILING AND**
33 **PAYMENT SYSTEM (EFPS) OF THE BUREAU OF INTERNAL REVENUE**
34 **(BIR), IN THE FILING AND REMITTANCE OF WITHHELD TAXES,**
35 **PURSUANT TO EXISTING LAWS AND GUIDELINES**
36

37 The Hon, Administrator commented this is an administrative matter. The Hon.
38 COS asked for any comment or motion to approve. Director Trongco moved for
39 the approval of the request. Director Casela seconded the motion.
40

41 For the purpose, the Governing Board adopted the resolution, as follows:

42
43 **RESOLUTION NO. 2116- 2022**

44
45 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
46 the NTA Governing Board, approves the Management's request
47 for Resolution, **designating Mr. RESTY C. CAMBE,**
48 **Accountant IV, Finance Department, as the NTA**
49 **Representative/Officer, authorized to use the Electronic**
50 **Filing and Payment System (EFPS) of the Bureau of Internal**
51 **Revenue (BIR), in the filing and remittance of withheld taxes,**
52 **pursuant to existing laws and guidelines, vice Ms. Carmelita V.**
53 **Albano, who was promotionally transferred as Tobacco**
54 **Production and Regulation Assistant II, at the Regulation**
55 **Department. Mr. Cambe will be assuming all the responsibilities**
56 **incumbent of the designation."**
57

58 **UNANIMOUSLY APPROVED**
59 -----
60



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

F. REQUEST FOR AUTHORITY TO IMPLEMENT THE CPCS PURSUANT TO EXECUTIVE ORDER NO. 150, SERIES OF 2021, AS APPROVED BY THE GOVERNANCE COMMISSION FOR GOCCS

The Hon Administrator introduced IAS Manager Dinah Pichay to present.

The NTA just received the authorization from the GCG for the implementation of the CPCS. This is now presented to the Governing Board for its approval. Ms. Pichay informed this is the counterpart of SSL5 .

The Hon. COS asked "Is there a staff who getting a lower than they would be getting?"

Ms. Pichay informed NTA is Category 1, GOCC Grade 16, meaning that the highest grade for its officials will be Job Grade 16. Salary Grade is converted to Job Grade instead of Pay Grade.

There is now this Salary Standardization Law and NTA has to see if this is more advantageous. If SSL5 is advantageous why not implement same. Ms Pichay replied it is comparable.

The Hon. COS pointed out the case of the Administrator - under SSL 5, salary grade 30, it is PhP185 K; under CPCS, Job Grade 16, only PhP175 K.

Ms. Pichay answered it will be adjusted to the appropriate Step, under the Job Grade. The Administrator will not start from Step 1. He will be Step 4?. The Hon. Administrator confirmed, "I have slight, slight increase".

The NTA has to be sure it is more beneficial to the employees than the SSL.

Ms. Pichay informed further that last year, the NTA applied for the implementation of the SSL but was advised against it by the GCG because the CPCS was about to be issued.

The Hon. COS advised for the NTA to be sure it has a budget for its implementation. The implementation will be effective, retroactive 05 October 2021.

With the Hon. Asking for a comment or a motion, the Hon. Administrator said that as the Chairman of the Committee on Nomination, Remuneration and Personnel Administration, he is moving for the approval of the authority to implement the CPCS. Director Casela seconded the motion to approve.

The NTA Governing Board adopted the following resolution for the purpose:

RESOLUTION NO. 2117 - 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board, approves the Management's request for the implementation of the CPCS (Compensation and Position Classification System), pursuant to Executive Order No. 150, as approved by the Governance Commission for GOCCs (GCG)."

UNANIMOUSLY APPROVED
- - - - -



1 VI. OTHER MATTERS*

2
3 A. EXECUTION OF EARLIER DECISIONS/RESOLUTIONS OF THE NTA
4 GOVERNING BOARD (AS REGARDS THE IMPOSITION OF
5 PENALTY/IES AGAINST THE SUPPLIER OF THE AGRICULTURAL
6 INPUTS / FERTILIZERS, ETC.)
7

8 Director Casela mentioned that earlier, the NTA Governing Board passed
9 resolutions pertaining to imposition of penalties to the agricultural input
10 supplier of the NTA. He said the Bids and Awards Committee (BAC) should
11 already compute the penalty, liquidated damages, amounting to one tenth of
12 one percent (1/10 of 1%), of the value of undelivered products, per day of
13 delay, starting from January 1, 2022, until the delivery shall have been
14 completed.
15

16 He continued. Management should also commence the investigation, which
17 result should be submitted by Management to the Board, as a basis for
18 blacklisting.
19

20 Director Trongco seconded the motion.
21

22 The NTA Governing Board then adopted the following resolution:
23

24 **RESOLUTION NO. 2118- 2022**

25
26 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
27 the NTA Governing Board directs/instructs Management to
28 execute earlier decision of the Board to impose the penalty/ies
29 against the Leads Agricultural Products Corporation, pursuant to
30 Republic Act No. 9184, per Resolution No. 2108-2022 and
31 Resolution No. 2109-2022 of 21 January 2022, as follows:
32

- 33 1. to compute and impose the liquidated damages of one tenth
34 of one percent (1/10 of 1%) of the value of the undelivered
35 agricultural supplies/fertilizer, etc., per day of delay, effective
36 from 01 January 2022, until completed; and,
37
38 2. to commence (already) the investigation, in accordance with
39 the prescribed procedures under existing laws; and, submit
40 the result to the Board for its consideration and decision for
41 the blacklisting of the said supplier".
42

43 **UNANIMOUSLY APPROVED**
44
45 -----
46
47

48 B. PROPOSED SCHEDULE FOR THE 106TH SPECIAL BOARD MEETING
49 WILL BE ON 24 FEBRUARY 2022, THURSDAY, 2:00 PM.
50

51 The Hon. Administrator informed this will coincide with the awarding of winners
52 of the **"TOBACCO GROWER OF THE YEAR"** in Candon City, Ilocos Sur, at
53 **9:00 AM**). The Ho, COS asked whether the Hon. Secretary was already
54 invited. The Hon. Administrator replied "Yes".
55

56 The schedule will be subject to confirmation.
57
58
59
60



1
2 **VIII. ADJOURNMENT**
3

4 As there was no other items to discuss, Director Casela moved for the
5 adjournment of the meeting. Director Trongco seconded the motion.
6

7 The Hon. COS formally adjourned the meeting at 3:48 PM.
8

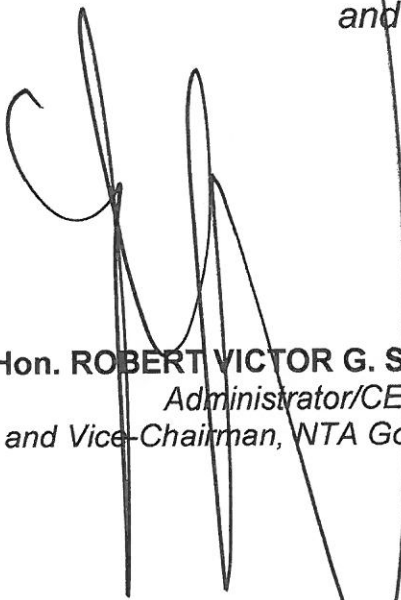
9 -----ooo0ooo-----

10
11 **PREPARED AND CERTIFIED CORRECT:**
12

13
14 
15
16 **REX ANTONIO P. TEOXON**
17 Board Secretary V
18
19
20
21

22 **ATTESTED:**
23

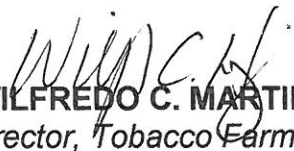
24
25 
26
27 **Hon. WILLIAM D. DAR, Ph.D.**
28 Secretary, Department Agriculture
29 and Chairman, NTA Governing Board
30

31
32 
33
34
35
36
37 **Hon. ROBERT VICTOR G. SEARES, JR.**
38 Administrator/CEO
39 and Vice-Chairman, NTA Governing Board
40
41

42
43
44
45 **Hon. LEOCADIO S. SEBASTIAN, PhD., CESO I**
46 Undersecretary and Chief of Staff, Ex-Officio Member
47

48
49 
50
51 **Hon. JESSE PAT M. SERNA**
52 Appointive Director, Tobacco Manufacturing Sector
53
54
55

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40



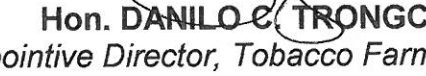
Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector



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



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



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



Hon. WILSON R. VICTORIO
Appointive Director, Tobacco Traders/Exporters Sector



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
& 4th Floor, Ben-Lor Building, 1184 Quezon Ave., Quezon City
Tel No. (02) 8374-3987 / Fax. No. (02) 8374-2505 / website: nta.da.gov.ph
ISO 9001: 2015 QMS CERTIFIED

OFFICE OF THE NTA GOVERNING BOARD

**ONE HUNDRED AND FORTY EIGHTH (148TH) REGULAR MEETING
OF THE NTA BOARD OF DIRECTORS, HELD AT THE BOARD ROOM,
3/F BEN- BLDG., 1184 QUEZON AVENUE, QUEZON CITY
21 JANUARY 2022 (9:00 AM)**

PRESENT:

Secretary WILLIAM D. DAR, Ph.D.	-	Chairman of the Governing Board
Adm. ROBERT VICTOR G. SEARES, JR.-		Vice-Chairman of the Board and Administrator/CEO
Usec LEOCADIO S. SEBASTIAN, Ph.D.	-	Chief of Staff/Ex-Officio Member
Dir. JESSE PAT M. SERNA	-	Member, Manufacturing Sector
Dir. NESTOR C. CASELA	-	Member, Academic Community Sector
Dir. WILFREDO C. MARTINEZ	-	Member, Tobacco Farmers Sector
Dir. TEOFILO R. QUINTAL	-	Member, Tobacco Farmers Sector
Dir. DANILO C. TRONGCO	-	Member, Tobacco Farmers Sector
Dir. WILSON R. VICTORIO	-	Member, Trader/Exporter Sector

OTHERS PRESENT:

Engr. CESARIO G. SAMBRANA	-	OIC/Deputy Admin. for Operations
Atty. JUN FRED V. PARADO	-	Legal Officer V, Office of the Admin.
Ms. FORTUNA C. BENOSA	-	Manager, Corplan Department
Atty. ROBERT A. AMBROS	-	Manager, Regulation Department
Ms. DINAH E. PICHAY	-	Manager, Internal Audit Service
Mr. RAMON R. MUNCAL	-	Stenographer III
Mr. REX ANTONIO P. TEOXON	-	Board Secretary V

HIGHLIGHTS OF THE MEETING

I. OPENING PRAYER


Atty. Jun Fred V. Parado, OAD/Legal Officer V, led the opening prayer.

II. CALL TO ORDER

The Honorable Secretary and Chairman of the NTA Governing Board, William D. Dar, Ph.D., called the meeting to order at about 9:00 A.M..

III. DETERMINATION OF QUORUM

The Corporate Secretary declared that with all the members present, there is a quorum for the 148th Regular Meeting of the NTA Governing Board.



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

IV. APPROVAL OF THE AGENDA OF THE 148TH REGULAR MEETING OF THE NTA GOVERNING BOARD HELD THIS 21ST JANUARY 2022, AT THE BOARD ROOM, 3/F BEN-LOR BLDG., 1184 QUEZON AVENUE, QUEZON CITY

Moving towards the approval of the Agenda, the Honorable Secretary asked whether there is any additional item before we approve the Agenda.

The Honorable Administrator/CEO interjected, he would like to include under Other Matters, the Report/Update on the Delivery of Agricultural Inputs / Fertilizers by the winning bidder, Leads Agricultural Corporation, which suffered certain delays.

The Honorable Secretary okayed and called anew for a move to approve the Agenda, as amended. The Hon. Administrator moved and Director Trongco seconded the motion to approve. The NTA Governing Board then adopted the following resolution:

RESOLUTION NO. 2103- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Agenda, as amended, of the 148TH Regular Meeting of the NTA Governing Board, held this 21 January 2022, at the Board Room, 3/F Ben-Lor Building, 1184 Quezon Avenue, Quezon City.”

UNANIMOUSLY APPROVED

V. FOR APPROVAL/CONFIRMATION/CONSIDERATION:

A. MINUTES OF THE 147TH REGULAR MEETING OF THE NTA GOVERNING BOARD HELD ON 29 DECEMBER 2021, AT THE BOARD ROOM, 3/F BEN-LOR BLDG., 1184 QUEZON AVENUE, QUEZON CITY

Moving forward, the Hon. Secretary declared that for the approval of the Minutes of the 147th Regular Meeting of the Board, “we will follow our Guidelines as approved, subject to the submission of any comments from any Members of the Board within 5 days from this meeting.” With that guideline, he asked if anyone moving for the approval.

The Hon. Administrator moved and Director Trongco seconded the motion “for the approval of the minutes previous meeting (147th Regular Meeting), subject to the submission by any member of the Board for any correction, within 5 days from this meeting”.

The NTA Governing Board, therefore, adopted the following resolution, to wit:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61

RESOLUTION NO. 2104- 2022

“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Minutes of the 147TH Regular Meeting of the NTA Governing Board, held this 29 December 2021, at the Board Room, 3/F Ben-Lor Bldg., 1184 Quezon Avenue, Quezon City, subject to the submission by any member of any correction within five (5) days after this meeting.”

UNANIMOUSLY APPROVED

B. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETINGS:

1. REPORT UPDATE

a. FINAL AMOUNTS IN THE GENERAL APPROPRIATION ACT (GAA)

- 1) FOR THE CONSTRUCTION OF NTA BUILDING FROM DPWH
- 2) FOR EMERGENCY CASH ASSISTANCE (ECA) FROM SENATOR BONG GO
- 3) FOR NTA FUNDING RA 4155

b. NEXT STEPS/MOVING FORWARD

Directed by the Hon. Secretary to go to Matters Arising, the Hon. Administrator informed he will be discussing the items one by one, as follows:


1. For the construction of the NTA building, NTA will have Php200 million (M) to be released to the DPWH, which will take care of the construction. The DPWH will follow the design and the NTA consultant will assist. The Hon. Administrator clarified that the fund will not come from NTA's RA 4155;
2. For ECA (Emergency Cash Assistance) for our tobacco farmers, Php50M, from Budgetary Support to Government Corporation (BSGC), from Senator Bong Go (who was said to identify where to bring/channel the amount); and,
3. For the budget of NTA from RA 4155, Php505M, (to be used as programmed. Budget execution documents and corporate operating budgets will be submitted for approval by the Board).

The Hon. Administrator informed further that the NTA will continue to work on the release of the budget for the implementation of the STEP.

- NTA will continue to solicit endorsement of the Regional Development Councils, which we need.
- Per advice of the DOF, it should be under the NEP so that it will pass through the Congress and Senate for their approval;

The Hon. Administrator noted, NTA cannot source out from RA 4155, without informing the principal.

- NTA will coordinate with local government units (LGUs), for the generation of cooperation and support for the NTA programs, especially for the STEP.

The Hon. Administrator, however, said that there will be a little setback, the omicron variant. We will, therefore, just wait for the lowering down of alert level. The Hon. Administrator informed the Hon. Secretary that with the latter's permission, they will visit the different branch offices so that they will know the plights of the farmers. 

The Hon. Secretary asked to discuss the 3 items, including the 4th one, the budget for the building. He asked, why only Php200M?

1 The Hon. Administrator explained that in the Bicultural Committee, with the
2 help of his good Congressman, this is the amount that they were able to insert.
3 They promised, however, that this will be increased later. They were quite in a
4 rush, so this is the amount he was able to plead for the construction. Anyway,
5 the DPWH assured him, they will include this in their whole year program and,
6 hopefully, in the next two years.

7
8 In relation to this, the Hon. Secretary said, to consider this as Phase 1 of the
9 construction of the NTA building. It will be good for Management to bring, for
10 consideration by the Board, to what extent PhP200M would be, in implementing
11 the initial design that we have. We should know the extent the PhP200M can
12 implement the construction of the building. We need that for discussion by the
13 Board next time around.

14
15 The Hon. Administrator replied he cannot promise in the next Board Meeting but
16 on Monday of the following week, he will have a serious meeting with officials of
17 the DPWH, particularly about the construction of the building. By then, we will
18 know to what extent will the PhP200M be.

19
20 The Hon. Secretary affirming yes, directing that it should be given back to the
21 Board for their notice and consideration. Asking for any concern from other
22 Members of the Board, Director Casela commented that pertaining to the
23 construction of the NTA building, it was discussed during the committee
24 meeting that, definitely, it will not come from RA 4155, because according to
25 DBM, RA 4155 is strictly for the development of the tobacco industry and not
26 intended for construction.

27
28 The Hon. Secretary replied that we go through with the normal, regular
29 process every year to get additional funding to finish the construction. What is
30 allotted now is PhP200M, to be considered Phase 1, for the construction; and,
31 the Board must know the design, what has been approved earlier, to be
32 implemented, and any information about that.

33
34 Moving on to the PhP50M insertion by Senator Go, the Hon. Secretary said, it
35 would be good for the Management to consider what should be prioritized to be
36 given among the industry stakeholders, referring to tobacco farmers. It would
37 be good, not just wait for the direction, but let us give that to Senator Go. That
38 this is already our priority. We need to justify how and where and to whom this
39 PhP50M must be released. Proactively, Management has to put up for
40 consideration what are the criteria to be observed, to lead us to our priorities in
41 utilizing the 50M for our tobacco farmers.

42
43 At this juncture, Director Casela informed that it was discussed earlier, during
44 the Committee Meeting, that in terms of recipients of the ECA from the PhP50M
45 insertion funds of Senator Go, priority will given to those tobacco farmers who
46 were affected by freak rains.

47
48 The Hon. Secretary commented that Mr. Casela was always referring to the
49 Committee. He said that from the Committee, it must come up to the Board for
50 final decision (and not just up to the Committee level). "It has to be decided/
51 approved by the Board, where Committee discussions will be used. The
52 Committee starts and it has to be forwarded to Management, to the Board. It
53 does not stop at the Committee level. You cannot decide accordingly, you have
54 to remember that. It is the Board deciding, not a Committee of the Board. The
55 Committee is a good mechanism to process. It must be approved by the Board,
56 anything to discuss and policy direction and guidelines to implement a project
57 like this PhP50M. It has to come to the Board finally. Any discussion, anything
58 discussed in the committee, I like that you bring it formally to the Board".
59 The Hon. Secretary declared for any other discussion, we will go to that
60 process.

1
2 The Hon. Administrator, then, informed that this (PhP505M budget) is for
3 automatic release
4

5 The Hon. Secretary asked how will this be used. What is its utilization?
6

7 Initially saying, this is our usual yearly budget, the Hon. Administrator asked the
8 Budget Officer to report.
9

10 In reply, the Budget Officer, Mr. Aquino, reported that the budget from RA 4155,
11 will be used as follows:
12

- 13 - PhP100M for production assistance; and,
- 14
- 15 - another PhP100M for curing barn, financial assistance for the
16 farmers for tobacco contract growing; and,
- 17
- 18 - another for our PS (Personal Services).
19

20 The Hon. Secretary commented this is continuous, year-in, year-out, from RA
21 4155. But, we are also saying we have now this STEP program that we can
22 integrate and more funding to be put up using the STEP program, so that NTA
23 can get higher than the PhP500M, then program what can NTA get for 2023,
24 coming from STEP program. He continued, let us project that and then come
25 back again to the Board. Management should look ahead and come back to
26 the Board, in due time, so that we can add to the 2023 budget. Meanwhile,
27 other activities to pursue includes endorsement of the RDC (Regional
28 Development Council) and for us to get all these things.
29

30 As there are no more discussion, the Hon. Secretary moved forward to the next
31 item.
32

33 **2. PRESENTATION OF THE REVISED DRAFT OF THE DA-NTA JOINT**
34 **MEMORANDUM CIRCULAR IMPLEMENTING THE SYSTEM OF**
35 **DOCUMENTATION AND REPORTING OF TOBACCO ACCEPTANCES AND**
36 **ISSUANCE OF CERTIFICATION OF TOBACCO PRODUCTION (AS OF 12 JANUARY**
37 **2022 COMMITTEE MEETING)**
38

39 The Hon. Administrator introduced the topic and the Board Committee
40 Chairman for Trading Operations and Regulation, Director WR Victorio, who
41 said he did not have the draft presentation.
42

43 In his stead, the Regulation Manager, Atty. Ambros presented his revised
44 proposal on the efficient documentation of tobacco acceptances and issuance
45 of certificate of production, pursuant to RA 7171 and 8240.
46

47 He explained, he now incorporated some changes, particularly on the
48 procedure on the area of tobacco production and the use of GPS (Geographic
49 Positioning System) in order to determine the exact location of each tobacco
50 area and they will be creating a National Team, to supervise the implementation
51 of the project, primarily composed by the NTA Administrator and key Officers. In
52 addition, they will be creating a Joint Monitoring Team (JMT) wherein, aside
53 from NTA Branch Managers, they will be involving Municipal Agriculturist for
54 each Municipality and Provincial Agriculturists for the provinces, so that they will
55 be given the opportunity to participate in this project. Because, more or less,
56 through the participation in the production surveys, validations of tobacco area
57 and the joint monitoring team, pertaining to tobacco production level, will be
58 readily submitted to the national committee so that the technical committee will
59 now consolidate all these reports to determine the average area of production
60 per hectare for the tobacco types.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

The procedure for the generation, acquisition of existing data of different NTA offices and also requiring all tobacco buyers to provide data of their production and the LGU's. Atty. Ambros said he will be presenting the data source. He will be requiring the tobacco buyers and MA and TPRO at the Municipal level. This data will be submitted to the monitoring team from each branch office and the JMT will submit to the National Technical Committee(NTC), which will validate the submission. For the information of contracted buyers, this data will be re-validated during the tobacco season through the JMT, which will visit the farm area 3 times during the harvest season, during the transplanting and 25 days after transplanting. This will be submitted to NTC that will validate same. Based on their determination, NTC will now tell the Regulation Dept. on how many kilograms should be allocated for each tobacco area reported by NTC. Once this data (kg) as determined is given to the Regulation Dept., they will now draft the Certificate of Production. Then, it will be approved by the Administrator and once approved, it will be approved? to be issued not later than March 15. The NTA certification will be submitted to the OSEC for the Hon. Secretary's signature and endorsement to the DBM. This Certification will be signed by the Secretary and to be posted in the NTA website. So, the resulting certification will be the basis of the DBM for the computation/allocation of the shares of LGUs from the excise tax.

The Honorable Secretary declared, he thinks we have enough information on this draft, as this has been coming back and forth. Finding none after asking for any other inputs from any Members of the Board, he asked for anyone moving for its approval, to which Director Quintal moved and Director Serna seconded the motion for the approval of the revised draft of the DA-NTA Revised Draft implementing the system of documentation of tobacco acceptances and issuance of certification of tobacco production.

For the purpose, the NTA Governing Board adopted the following resolution:

RESOLUTION NO. 2105- 2022

"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT the NTA Governing Board approves the Revised DA-NTA Joint Memorandum Circular No. 2022-001, Implementing the System for Documentation and Reporting of Tobacco Acceptances and Issuance of Certification of Production of Local Government Units (LGUs), Pursuant to Republic Act Nos. 7171 and 8240, for Regulatory Impact Assessment / consultation with stakeholders.

UNANIMOUSLY APPROVED

C. REQUEST OF TOBACCO BUYERS FOR EXTENSION OF DEADLINE FOR THE FILING OF RENEWAL OF LICENCES FOR 2022 TRADING OPERATIONS

Moving on to the Request of the Tobacco Buyers Extension of deadline for the filing of renewal of licenses for CY 2022 trading operations, Atty. Ambros continued the presentation.

He reported that this matter arose from the request of tobacco buyers in relations to NTA's earlier Memorandum, setting the deadlines for their applications of licenses to January 15 for the tobacco season. However, in view of the pandemic, all government offices declared a lockdown. Some of them

1 delayed the issuance of requirements. Therefore, they are requesting for
2 extension of deadline. We are therefore requesting the Hon. Board to approve
3 the extension of 15 days, in addition to the earlier deadline set.
4

5 With the Hon. Secretary asking for any discussion of any motion, Director
6 Victorio moved for the approval of the requested extension of deadline. Director
7 Trongco seconded the motion.
8

9 The NTA Governing Board adopted the following resolution for the purpose:
10

11 **RESOLUTION NO. 2106- 2022**
12

13 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
14 **the NTA Governing Board approves the request of tobacco buyers**
15 **for the extension of deadline for the filing of renewal of licenses for**
16 **2022 trading operations, from the deadlines set under Section 2 of**
17 **the NTA’s Revised Rules and Regulations, as amended, to the dates**
18 **as recommended by NTA Management, to wit:**
19

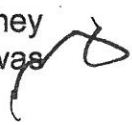
TOBACCO LOCATION	TYPE /	FROM(DEADLINE SET under Section 2, Rules)	TO (NEW DEADLINE)
1. VIRGINIA		January 15	January 31
2. BURLEY			
a. Region I		January 15	January 31
b. Region II		January 15	February 15
3. NATIVE			
a. Region I &II		January 15	February15
b. Visayas/Mindanao			
1)1 st Cropping		January 15	January 31
2)2 nd Cropping		June 30	No Extension

20
21
22 **UNANIMOUSLY APPROVED**
23 -----
24

25 **D. REQUEST OF MANAGEMENT TO CONDUCT 2ND PUBLIC BIDDING FOR**
26 **THE PROJECT: “SUPPLY AND DELIVERY OF 27 UNITS OF DESKTOP**
27 **COMPUTERS AND 1 UNIT SERVER FOR THE USE OF NTA CENTRAL**
28 **AND BRANCH OFFICES, (WITH DOWNGRADED POWER SPECIFICATION,**
29 **EXTENDED DELIVERY PERIOD), AND INCREASED APPROVED BUDGET**
30 **FOR CONTRACT (ABC) IN THE AMOUNT OF PHP2,691,000.00**
31

32 Moving forward to the discussion of the next request of management second
33 bidding for supply delivery 27 units of desktop computers and server for NTA
34 CO and Branch Offices, the Board Committee Chairman for the Audit and
35 Finance, requested the BAC Chairman, Atty. Ambros, to present with respect
36 to the details of the request. .
37

38 Atty. Ambros reiterated the BAC’s request from the Hon. Board to allow the
39 BAC to conduct 2nd public bidding to purchase 27 units of desktop and 1 unit
40 of server.
41

42 He said that the first bidding conducted was a failure in view of the absence
43 of the prospective bidder. However, the BAC made some changes in the
44 specification, particularly on the wattage of the desktop, which they
45 decreased from 700 watts to 500 watts and the delivery date which was
46 extended from 30 to 90 days and they increase in the budget for contract. 
47

1 At this juncture, the Hon. Secretary interjected, "Let us first understand the
2 process." He explained that because the expenditure or procurement was
3 approved by the Board earlier, the BAC can already procure. Asking why is it
4 that when the bidding failed, they have to come back to the Board, he
5 declared that is not necessary. You are just prolonging the process. There is
6 a process, based on the RA on procurement. When the bidding failed, you
7 just have to go to another bidding. Why are we requiring them to come back
8 to the Board. What is important is we approved the procurement, then the
9 process of bidding goes to whoever wins, so that they can inform the Board.
10 He asked further, why are we requiring red tape here and whether this is the
11 normal circumstances here. The Hon. Secretary reiterated, as long as the
12 Board has already approved the procurement, then the bidding process
13 continues then the Board will be informed finally. He declared, let us follow
14 that process. There is a regular bidding process. If it failed, proceed to the
15 second bidding. We have to follow the law. Go to the procurement process.
16 Then, he immediately proceeded to the next item
17

18 (The Corporate Secretary pointed out that there were changes in the
19 specifications and the Approved Budget for Contract (ABC) was increased.
20 The Hon. Secretary said this is not clear in the discussion. He directed the
21 Corporate Secretary to have the project approved through referendum.)
22
23

24 **E. ACTION PROGRAM AND BUDGET: KAHUYANG PANGKABUHAYAN AT**
25 **PANGKALIKASAN (KPP) - BEEMA BAMBOO COMMERCIAL**
26 **PRODUCTION COMPONENT**
27

28 With the Hon. Secretary directing to move to the next item, the Hon.
29 Administrator introduced Director Quintal, as the Board Committee Chairman
30 for Research and Extension, to present the summary of discussion and
31 recommendation for the project.
32

33 Director Quintal recalled that they revisited the KPP through Dr.
34 Foronda, where he mentioned about the so called bamboo in this
35 program. He said everyone knows the fact that the program was stopped
36 because we want, as much as possible, that this program be effective
37 because of the importance to the tobacco industry in providing fuelwood.
38 40% of the expected that can be planted were not growing well, were not
39 implemented because of the technology tree planting hence, in his
40 recommendation he practically stopped the provision, for further
41 evaluation to the Board. The Board had agreed, knowing the importance
42 of the bamboo in the process of flue-curing tobacco and in all aspects of
43 the life of human being. We have considered the proposal of Dr. Foronda
44 of having a Beema bamboo commercial production because according to
45 the literature this Beema bamboo can produce 5 times of bio-mass. The
46 NTA is now encouraging the use of anawang for the curing barn
47 program thus, if we use the anawang then the bio-mass of this bamboo
48 will be very important to our program. Other than bio-mass and the
49 importance of tobacco program, we have considered our environment.
50 These bamboos can fix CO₂ and sequester carbon that can be able to
51 clean up exhaustion per day and these CO₂ can be eliminated and there
52 are so many things 1500 can be produced. Considering these Beema
53 Bamboos and futuristic in our KPP and the funds available had not been
54 utilized, I guess we have 25M budgeted for KPP we can use this for our
55 Beema bamboo. We could presumably learn the technology in terms of
56 tissue culture production by our researchers or our SUC's.

1
2 The Hon. Secretary asked whether that is part of the project to which Director
3 Quintal replied that the IRD initial research on these Beema Bamboos.
4 Maybe, NTA could as well have a pilot testing in the production. The Hon.
5 Secretary said, there must be an intention in the project, as part of the
6 direction. At the end of the day, after some time, NTA has a laboratory.
7 Director Quintal replied, we might as well import from India, this requirement
8 of Beema Bamboo for production, then from there, our scientist could learn
9 how to produce so that we could not be dependent on the imported ones.
10 The Hon. Secretary countered he did not see that in the proposal, as part of
11 it. Director Quintal cited it is nodal propagation.

12
13 When Hon. Secretary asked what in terms of farmers, Director Quintal
14 replied, as this is a important product in preparation of their curing barn and
15 the use of their fuelwood, maybe all our tobacco farmers could initially be
16 asked to participate.

17
18 Hon. Secretary commented it is different if verbally projected, than which you
19 can see in the details. It is very vague. The Hon. Secretary asked how do
20 you use the 20M or the 25M, how?

21
22 Director Quintal expounded that the budget appearing in the proposal is for 3
23 years, as they have to recondition the planting materials; to provide a
24 nursery; and further, to propagate or to plant them during the rainy season,
25 after 6 months of acclimatization.

26
27 The Hon. Secretary countered that he knows they should know the number
28 of farmers targeted. If they could give him the number, we can already
29 approve the project, if not, then we go back to the drawing board.

30
31 Director Martinez complemented we planned this for La Union, Ilocos Sur
32 and Ilocos Norte, to which the Hon. Secretary acknowledged he saw that in
33 the document but what he was asking was the target number of farmers.

34
35 For his part, Director Casela explained that the proposal of Beema bamboo
36 will be a component of the KPP and the initial undertaking would be, as
37 proposed, will be purchased, not import. This will be purchased locally, but
38 the materials to be used is easy? bamboo. In relation to capability
39 enhancement for the research group, the technology will be initiated will be
40 capability of researchers. The targeted number of farmers, for the initial
41 program, is 296 farmers, with total seedlings of 30,000. This project is for
42 implementation for 3 years and the budget is about PhP22M and the
43 succeeding year, is about PhP2M plus. The laboratory will be established by
44 the research group of NTA Batac so much so that the budget is quite
45 expensive, but nevertheless, after the first year, the Beema Bamboo will be
46 produced by NTA themselves.

47
48 The Hon. Secretary clarified, at 296 farmers, how many will be planted per
49 farmer and at how much each? At PhP460 per seedling, why not cheaper?

50
51 Director Martinez replied he thinks it will go down to which the Hon. Secretary
52 declared, we cannot just approve, if just based on our thinking. We should
53 have some idea, that should be lower, not higher. This is too much per
54 bamboo, even for imported. He said, he did not like it, this expensive. At US
55 \$10 apiece, this is exorbitant. This is what he saw.

56
57 Director Martinez said they heard, it is PhP405 in Isabela. On the other
58 hand, Director Casela explained that the decision on Beema is for public
59 bidding. There will be specifications to be provided so, by virtue of the

1 bidding, there will be competition. Therefore, we do not expect that this will
2 be the price.

3
4 The Hon. Secretary replied that if we approve this now, it will be difficult, on
5 the standard of ABC. He asked, will you have that approved at that high
6 price. He declared, this is too much. He said he agreed with the production of
7 new technology but see to it that the price will not be this high/expensive.
8 Director Casela, therefore, suggested that the proponent of the project will
9 conduct a study, as to the price of imported Beema Bamboo.

10
11 The Hon. Secretary asked who was the proponent of the project from
12 Management. The OIC/DAOP explained that the planting material was
13 sourced out, as directed by the Governing Board and the price also came
14 from them. They were the ones who talked with the supplier. The price came
15 from Nueva Segovia (Consortium of Cooperatives).

16
17 Director Martinez admitted that the price came from him as he was the one
18 who discussed with Divina (Quemi), who provided the price at PhP405
19 apiece, which he increased to provide a budget for training expenses.

20
21 The Hon. Secretary ended by instructing the OIC/DAOP to do his job as
22 Management, go back to the drawing board and with the questions asked, go
23 back to the details.

24
25 The Hon. Secretary directly moved to the next item.

26
27
28 **F. NTA PERFORMANCE SCORECARD CY 2022, FOR PERFORMANCE**
29 **AGREEMENT NEGOTIATION (PAN) WITH GOVERNMENT COMMISSION**
30 **FOR GOCCs (GCG)**


31
32 The Hon. Administrator introduced Director Martinez of the Board Committee
33 on Governance to present. Director Martinez, however, claimed he does not
34 have a copy of the material.

35
36 The Hon. Secretary called the attention of the Corporate Secretary for the
37 incident. The Corporate Secretary explained, the copy was sent twice to the
38 Members of the Board. The first one, for the Committee Meeting and the 2nd
39 one, before the Board meeting. Each of which was sent to the Branch Office
40 (for printing to be given to them) and to their personal email address.
41 Receipt of same were acknowledged.

42
43 (Director Martinez called up to clarify. His copy was not handed to him by the
44 assisting staff. It was placed under the laptop he was using.)

45
46 The Hon. Secretary called on the Management to present. The Hon.
47 Administrator introduced Ms. Benosa of Corplan.

48
49 Ms. Benosa explained that the Annual Performance Scorecard is being
50 submitted to the Governance Commission for COCCs (GCG), in
51 compliance MC MC2013-02. This scorecard was presented during
52 Committee Meeting of January 19, discussed with the Governance
53 Committee.

54
55 The Management presented the NTA Performance Scorecard, for
56 approval by the Board, as the negotiating document of the NTA Technical
57 Panel, in their initial negotiation with the GCG Panel, in setting the basis
58 for the evaluation of the NTAs performance for FY 2022. 

1 The NTA's Performance will be measured based on Five (5) dimensions,
2 such as: 1. social impact; 2. customer /stakeholders; 3. internal process; 4.
3 learning and growth; and, financial matters..
4

5 Under these dimensions, are eight (8) Strategic Objectives and Strategic
6 Measures, the performance targets for which were agreed upon by the
7 Management and the Department and Branch Managers in 2021 and were to
8 be carried out in 2022, as follows:
9

10 1. Under Social Impact :

- 11 ▪ **Sustained Viable Tobacco Industry**(yield as per hectare)

12 2.. Under Customers / Stakeholders

- 13 ▪ **Improved Quality of Life of Tobacco Farmers** (as indicated by
14 Customer Satisfaction and farmers net income from tobacco and other
15 crops)
16 ▪ **Assured Production of Quality Locally-Produced Tobacco as**
17 **Desired by Various Markets** (based on increase in percentage of quality
18 leaf tobacco (grades AA to C)

19 **3. Under Internal Process**

- 20 ▪ Strengthen Research and Development and Technology Transfer
21 (under Agricultural and industrial research component)
22 ▪ Effective Enforcement of Regulatory Measures

23 **4. Under Learning and Growth**

- 24 ▪ Develop Competent and Highly Work-Motivated Employees in a
25 Conducive Organizational Climate
26 ▪ Enhance Existing Quality Management System

27 **5. Under Finance**

- 28 ▪ Attain Financial Stability (Earnings, Utilization, Collection efficiency)

29
30 As to the targets under the strategic objectives in our scorecard: Under
31 sustainable industry, we targeted 2,522 kg per hectare of locally
32 produced tobacco; under the improved quality of tobacco farmers, so
33 with the satisfied of customers. This is the imposition of GCG so, we are
34 expected of 90%; Under the farmers net income, we are targeting 82K
35 hectares at tobacco types, then on other livelihood activities,
36 PhP51K/hectare, percentage of high grade tobacco, 81%, under research
37 and development, to publish 2 to our news letter, another one other uses
38 of tobacco, we are proposing to commercialize one. All of these will be
39 provided by concerned department; Under effective enforcement
40 regulatory measures, the measure is the percentage of companies
41 compliant to rules and regulations; Under local trading, we are expected
42 to be fully compliant by 97%, on export/import achievements, 95%, on
43 manufacturing, 100%. Another measure on this is the percentage
44 violation, where the regulation department proposes 97%; Employees'
45 competencies, the HR department proposes 40%of the total number of
46 incumbent; Moving on existing management since 2016, we were
47 certified by third party under ISO 9001-2015 certification we are
48 expected for another audit by a third party; Under financial stability, we
49 propose PhP245,468,000.00; Under the utilization rate of our subsidy
50 given by NG, we are targeting of course 100%; On tobacco renewable
51 energy or KPP and the Kadiwa ni Ani at Kita and the hog production
52 project already conducted; Under collection efficiency, we are targeting
53 to collect from our production assistance on tobacco 86%, renewable

1 energy projects 65%. These are past due loans, Under the Ani at Kita,
2 98% collection efficiency.

3
4 In summary, the NTA Technical panel will negotiate with GCG on the
5 measures and targets as proposed.

6
7 The Hon. Secretary thanked for the comprehensive presentation and
8 asked for a discussion or if none, a motion for approval.

9
10 Director Casela moved for the approval of the NTA scorecard, in
11 inclusion of recommendation and suggestions from members of the
12 board and management. The Hon. Administrator seconded the motion.

13
14 Therefore, the NTA governing Board adopted the following resolution:

15
16 **RESOLUTION NO. 2107- 2022**

17
18 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT** the
19 NTA Governing Board approves the NTA Performance Scorecard for
20 CY 2022, for Performance Agreement Negotiation (PAN) with the
21 Government Commission for GOCCs, with the inclusion of the
22 suggestions and recommendations from the Board and
23 Management.”

24
25 **UNANIMOUSLY APPROVED**
26 -----
27

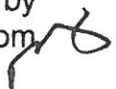
28
29 **VI. OTHER MATTERS***

30
31 **A. STATUS REPORT/UPDATE ON THE DELIVERY OF FERTILIZERS BY**
32 **LEADS AGRI. CORPORATION, WHICH SUFFERED CERTAIN DELAYS)**

33
34 To start, the Hon. Administrator reported that the Leads supplier suffered
35 some delays in the delivery of fertilizers due to traffic in the port. For further
36 discussion, he called on the OIC/DAOP to report.

37
38 OIC/DAOP said he already submitted his report to the Management and the
39 Governing Board as presented to our Administrator. The reason why there
40 were some delays in the report. Its cut-off date was just yesterday. I
41 submitted a written report. it shows there were delays in the delivery of
42 inputs because the notice to proceed was approved, December 1 to 31st there
43 was something like 30M delivered in that period. The rest were beyond this
44 time and this is considered delayed. It is only worth PhP30M only in my
45 report that can be considered allowable/delivered that period. PhP 30M for
46 December 1-15 and a total of 40M, I have to correct my first statement. If
47 we look at the notice to proceed, out of PhP110M, only PhP40M was
48 delivered on time when notice to proceed was issued. We have PhP62M
49 undelivered as of January 19, but when he checked a while ago, all fertilizers
50 were delivered already, except for Metralin. When checked a while ago, it
51 was delivered already too.

52
53 OIC/DAOP continued, sanction should be imposed for violation incurred by
54 the buyer and he thinks Atty. Bob is more knowledgeable on this violation..

55
56 Hon. Secretary directed the discussion first on the number one suggestion by
57 management, to impose penalty of 1/10th of 1% of undelivered portion from
58 January 1, 2022, as provided under existing law. 

1
2 Director Casela responded, stating that during the Committee Meeting,
3 particularly in the delay of delivery of farm inputs, it was established that the
4 supplier, which is the Leads-Agri, Inc., committed a breach of contract, that
5 the delivery of farm inputs covered by MOA that the delivery should be within
6 15 days from December 1 up to December 15. However, there is a delay in
7 the delivery of farm inputs and considering the importance of timely delivery
8 of farm inputs for the proper growth of tobacco plants. The Hon.
9 Administrator approved the request of the supplier to extend for another 15
10 days for the delivery of the total materials farm inputs so, the delivery should
11 have been completed from December 1 up to December 31, in consideration
12 of the approval of the Management, through, of course, the Hon.
13 Administrator. It was exhaustively discussed the implication of the delivery of
14 farm inputs particularly the fertilizers. NTA established advocating production
15 technology of tobacco that a basal fertilizer should be applied during
16 transplanting and (7 days) after transplanting so, most of the farmers were
17 not able to apply that particular fertilizer and therefore, definitely there will be
18 an effect in growth rate of tobacco plant, not applied on proper time. So, in
19 consideration of this, the management proposed for the imposition of a
20 penalty so that it was proposed by management through of course Hon.
21 Administrator that 1/10 of 1% should be imposed as penalty to the supplier
22 and other than that the other Members of the Board suggested also the
23 imposition of the black listing, in consideration of the integrity of NTA,
24 particularly the recipients of farmers. This is considered production
25 assistance to farmers. That was the main discussions, as basis for the
26 imposition of penalty clause.

27
28 Hon. Secretary then asked for any other material information, any further
29 discussion, directing the Board to try to deal this one at a time. He let the
30 Board deal on the imposition of the penalties and sanction, by asking any
31 motion to that effect, to which Director Casela moved for the approval of
32 imposition of penalty of 1/10 of 1% of the total value of farm inputs, to be
33 imposed, for the violation committed by Leads-Agri. The Hon. Secretary
34 emphasized, this is the cost of undelivered portion from January onwards.
35 Then he asked for any second. Director Victorio seconded the motion.
36 Hearing no objection, the Hon. Secretary declared the motion is approved.

37
38 The NTA Governing Board therefore adopted the following resolution.

39
40 **RESOLUTION NO. 2108- 2022**

41
42 **“BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
43 **the NTA Governing Board, in view of the failure to comply with the**
44 **obligations under the contract with NTA, approves the imposition**
45 **of penalty to the erring supplier, LEADS AGRICULTURAL**
46 **PRODUCTS CORPORATION, of one tenth of one per cent (1/10th**
47 **of 1%) of the value of the undelivered portion of agricultural inputs/**
48 **fertilizers, etc., per day of delay, from 01 January 2022, as**
49 **provided under existing laws. “**

50
51 **UNANIMOUSLY APPROVED**

52 -----

53
54
55 The Hon. Secretary moved on to tackle the second one, the black listing,
56 subject to the result of the investigation, conducted by Management, not by
57 the Board first. That is the responsibility of Management to conduct an
58 investigation. Then, they bring it to the Board, not the Board yet. He stressed
59 it should be Management first, “Baliktarin natin”. It is not the Board that will
60 conduct the investigation.

1
2 The Hon. Secretary asking for a discussion, Director Casela replied that with
3 all "your statements", the Board suggested to Management, it was not a
4 policy but rather it was suggested by the Board to Management to conduct
5 the investigation prior to imposition of the penalty of black listing, subject to
6 the approval or consent of the Board.
7

8 The Hon. Secretary declared that is clear, we move for black listing of this
9 erring supplier, subject to the result of investigation of Management as
10 approved by the Board, then asked for any second. The Hon. Administrator
11 seconded the motion. Hearing no objection, the Hon. Secretary declared the
12 motion is carried.
13

14 The Governing Board then adopted the following resolution for the
15 purpose:
16

17 **RESOLUTION NO. 2109- 2022**

18
19 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT,**
20 in addition to the penalty imposed to the erring supplier, LEADS
21 AGRICULTURAL PRODUCTS CORPORATION, under Resolution
22 No.108-2022, the NTA Governing Board approves the blacklisting
23 of the said erring supplier, subject to the result of the investigation
24 to be conducted by Management, in accordance with the
25 prescribed procedures under existing laws, to be submitted to the
26 Governing Board for approval."
27

28 **UNANIMOUSLY APPROVED**
29
30 -----
31

32 Hon. Secretary then steered the discussion to the third portion of the issue:
33 the remaining fertilizers worth Php70.8M, the proposal by the OIC/DAOP to
34 sell/dispose. He said he would like to proceed with the discussion even
35 without the recommendation of management yet. He explained, we have to
36 look at the situation na "iisa ang lupa ng ating mga farmers". When you say
37 tobacco farmers, they are also rice farmers and vegetable farmers. Having
38 said that, with the increasing prices, as you have said, ang hirap kagaya
39 ngayon application kasi na delay. He said he wanted a discussion along the
40 line. He asked "Bakit hindi natin (idistribute) itong naiwan Php70.8M, still to
41 be distributed to tobacco farmers. They can use that even next cropping
42 basta importante, to be given to tobacco farmers. Bakit mo ibebenta pa eh
43 para sa kanila naman dati ito. OK. That is my initial thinking. There are other
44 option. I do not want the idea of selling. I want these inputs to be given, a
45 sort of criteria, to tobacco farmers. OK, lets discuss, Mr. Administrator."
46

47 The Hon. Administrator replied that with the guidance of the Hon.
48 Secretary, he for one, we just give this to the farmers, instead of wanting
49 to sell these fertilizers. We have previous experience here where the
50 undisposed fertilizers or chemicals, which were not distributed had faced
51 with a problem with COA. So, with this procurement of NTA, which have
52 not been paid yet, with the guidance of the Hon. Secretary, the
53 Administrator deemed it better, to just distribute/give them to the farmers,
54 who are rice farmers and tobacco farmers at the same time. Addressing
55 the Hon. Secretary, the Hon. Administrator said "I act for your proposal".
56

57 With the Hon. Secretary asking for any other ideas from other Members
58 of the Board, Director Casela said that "I for one, but the fertilizers that
59 was delivered, that are supposed to be delivered will still constitute the
60 production assistance under the TCGS; and, therefore, this will be

1 considered as loan. This loan, however, is subject to 40% subsidy and
2 therefore, I do agree to giving or a provision of farmers because, as
3 mentioned by Hon. Secretary, can be used for other crops so, I propose
4 that the fertilizers that have been delayed or to be delivered to recipient
5 farmer-cooperator of TCGS".
6

7 With the Hon. Secretary asking for any other inputs, the OIC/DAOP said
8 with the farmer who planted last week of December, no more fertilizers
9 will be left.
10

11 The Hon. Secretary, addressing the OIC/DAOP, "magkaiba yung sinasabi
12 mo na walang deliveries at merong deliveries. Our discussion is
13 everything will be delivered. Ganon ba o hindi?"
14

15 OIC/DAOP explained that at the branch offices, and the farmers got them
16 already. With the Hon. Secretary saying he did not understand,
17 OIC/DAOP explained that the fertilizers were delivered to the branch
18 offices and accordingly, the farmers used them.
19

20 Hon. Secretary said yes, he understands that for delayed planting, they
21 can still be given and we will not withhold them. What is being discussed
22 is the fertilizers that will be left behind (matitira). He, then directed
23 (Management) to prepare a guideline for the distribution/ giving these
24 fertilizers to the tobacco farmers for the next crop or whatever, that is
25 increasing the income of tobacco farmers.
26

27 The Hon. Secretary asking for additional ideas, Director Casela said he
28 was anticipating the implication of the delay because NTA is advocating
29 the (early planting?) technology, with the purpose of increasing yield and
30 improving the quality of tobacco. Definitely, with the delay, two
31 parameters – yield/ income? and loan collection - will be affected.
32

33 Hon. Secretary acknowledged there are other issues. He redirected, can
34 we now resolve that Management will come back to the Board, with the
35 implementing guideline on how to distribute to the tobacco farmers,
36 whatever remains, the undistributed coming from the purchase of almost
37 PhP110M. A resolution must be adopted by the Board, in general, giving
38 directive for management to distribute, whatever remains, and
39 implementing guidelines be brought back to the Board. He then, asked for
40 any motion to that effect
41

42 When Director Casela moved that management will continue distributing the
43 volume of fertilizer, the Hon. Secretary interjected, "magkaiba yon", saying
44 the distribution resolution that whatever remains, the undistributed portion of
45 the procurement, be distributed to tobacco farmers, with the implementing
46 guideline to be submitted management to the Board. Director Casela, then,
47 moved and Director Martinez seconded the motion to approve.
48

49 The NTA Governing Board therefore adopted the following resolution for the
50 purpose:
51

52 **RESOLUTION NO. 2110- 2022**

53
54 **"BE IT RESOLVED, AS IT IS HEREBY RESOLVED, THAT**
55 the NTA Governing Board directs Management to distribute to
56 the tobacco farmers, whatever remains (undistributed) of the ,
57 PhP110M agricultural inputs/ fertilizers, etc.,resulting from the
58 late delivery of Leads Agricultural Products Corporation, to be
59 used for their ensuing cropping; and, for the purpose,

1 Management shall submit the Implementing Guidelines to the
2 Board for approval. ”
3

4 **UNANIMOUSLY APPROVED**
5 -----
6

7
8
9 **B. PROPOSED SCHEDULE FOR THE 149TH REGULAR BOARD MEETING**
10 **WILL BE ON 11 FEBRUARY 2022, 2:00 PM.**
11

12 Introduced by the Hon. Administrator, the Hon. Secretary approved the
13 proposed schedule.
14


15
16 **VII. ADJOURNMENT**
17

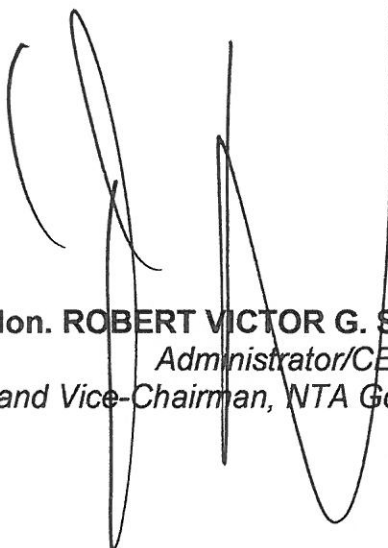
18 As there are not other items to discuss, the Hon. Secretary adjourned the
19 meeting at about 11:00 AM.
20

21 -----
22
23
24 **PREPARED AND CERTIFIED CORRECT:**
25

26 
27
28
29 **REX ANTONIO P. TEOXON**
30 Board Secretary V
31

32
33
34
35 **ATTESTED:**
36

37
38
39 
40
41 **Hon. WILLIAM D. DAR, Ph.D.**
42 *Secretary, Department Agriculture*
43 *and Chairman, NTA Governing Board*
44

45
46 
47
48
49
50
51
52 **Hon. ROBERT VICTOR G. SEARES, JR.**
53 *Administrator/CEO*
54 *and Vice-Chairman, NTA Governing Board*
55
56
57

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64

Hon. LEOCADIO S. SEBASTIAN, PhD., CESO I
Undersecretary and Chief of Staff, Ex-Officio Member



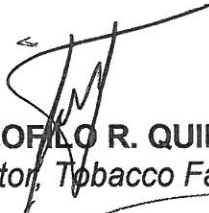
Hon. JESSE PAT M. SERNA
Appointive Director, Tobacco Manufacturing Sector



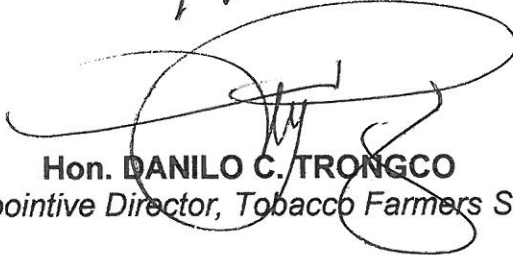
Hon. WILFREDO C. MARTINEZ
Appointive Director, Tobacco Farmers Sector



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



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



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

Hon. WILSON R. VICTORIO
Appointive Director, Tobacco Traders/Exporters Sector

rapt o20722



Republic of the Philippines
DEPARTMENT OF AGRICULTURE
NATIONAL TOBACCO ADMINISTRATION
3rd & 4th Floor, Ben-Lor Building, 1184 Quezon Ave., Quezon City
Tel No. (02) 8374-3987 / Fax. No. (02) 8374-2505 / website: nta.da.gov.ph
ISO 9001: 2015 QMS CERTIFIED

HIGHLIGHTS OF THE MINUTES OF THE MEETINGS FROM JANUARY - DECEMBER 2022