



30 August 2023

24

MS. BELINDA SARMIENTO-SANCHEZ, CPA
Acting Administrator
NATIONAL TOBACCO ADMINISTRATION (NTA)
 11th Floor, The Upper Class Tower
 Quezon Ave. cor. Sct. Reyes St.
 Diliman, Quezon City

**RE: VALIDATION RESULT OF NTA'S
2022 PERFORMANCE SCORECARD**

Dear Acting Administrator Sarmiento-Sanchez,

We respectfully furnish you with the NTA's 2022 Performance Scorecard (**Annex A**), where NTA obtained an overall score of **85.80%**.

Very truly yours,

ATTY. MARIUS P. CORPUS
Chairperson



ATTY. BRIAN KEITH F. HOSAKA
Commissioner

**ATTY. GERALDINE MARIE
 BERBERABE-MARTINEZ**
Commissioner

cc: COA Resident Auditor – NTA

OFFICE OF THE ADMINISTRATOR
NTA RECEIVED
 NAME: Rw
 DATE: 9/6/2023 TIME: _____

**NATIONAL TOBACCO ADMINISTRATION (NTA)
Validated 2022 Performance Scorecard**

Component		Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks																	
			Objective/Measure	Formula	Wt.	2022			Actual	Rating	Score	Rating													
SOCIAL IMPACT	SO 1	Sustained Viable Tobacco Industry																							
	SM 1	Yield per hectare (kg/ha)	Total Production / Total Area	10%	2,550	2,560.30	10%	2,560.30	10%	<ul style="list-style-type: none"> Actual Yield, Quality and Income from Tobacco Farming Crop Year 21-22 signed by NTA's FTSD Chief TPRO/OIC <table border="1"> <thead> <tr> <th>Tobacco Type</th> <th>Production (kg)</th> <th>Area (ha)</th> </tr> </thead> <tbody> <tr> <td>Virginia</td> <td>318,369.47</td> <td>130.75</td> </tr> <tr> <td>Burley</td> <td>565,483.73</td> <td>195.43</td> </tr> <tr> <td>Native</td> <td>84,911.50</td> <td>52.20</td> </tr> <tr> <td>Total</td> <td>968,764.70</td> <td>378.38</td> </tr> </tbody> </table> <p>The breakdown of 2,560.30 kg/ha production per area is as follows:</p>	Tobacco Type	Production (kg)	Area (ha)	Virginia	318,369.47	130.75	Burley	565,483.73	195.43	Native	84,911.50	52.20	Total	968,764.70	378.38
	Tobacco Type	Production (kg)	Area (ha)																						
Virginia	318,369.47	130.75																							
Burley	565,483.73	195.43																							
Native	84,911.50	52.20																							
Total	968,764.70	378.38																							
Subtotal			10%			10%		10%																	
STAKEHOLDERS	SO 2	Improved Quality of Life of Tobacco Farmers																							
	SM 2	Percentage of Satisfied Customers																							
		a. Tobacco Farmers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	3%	90%	-	-	0%	0%	-	<p>NTA did not submit any accomplishment and/or supporting document and only indicated in the Scorecard the delayed implementation of CSS.</p> <p>As such, NTA is given automatic zero for this measure.</p>														
b. Industry Stakeholders	3%	90%																							

“Upholding a Transparent and Responsive GOCC Sector for the Filipino People”

Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks															
Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating																	
STAKEHOLDERS SM 3	Farmers' Net Income																							
	a. From Tobacco Farmers	Total Annual Net Income / Total Area	6%	₱82,000	₱97,732	6%	₱66,917.12	4.90%	<ul style="list-style-type: none"> Actual Yield, Quality and Income from Tobacco Farming Crop Year 21-22 signed by NTA's FTSD Chief TPRO/OIC <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Gross Sale</td> <td>79,827,602.34</td> </tr> <tr> <td>Less: Total Cost of Production</td> <td>54,507,502.40</td> </tr> <tr> <td><i>Cost of Production</i></td> <td>48,677,621.83</td> </tr> <tr> <td><i>Subsidy</i></td> <td>5,829,880.60</td> </tr> <tr> <td>Net Income (NI)</td> <td>25,320,099.91</td> </tr> <tr> <td>Area</td> <td>378.38</td> </tr> <tr> <td>NI per Hectare</td> <td>₱66,917.12</td> </tr> </tbody> </table> <p>The breakdown of farmers' net income per hectare is as follows:</p> <p>Subsidy is granted to farmers for their operational expenses such as, but not limited to, payment for materials and labor. In computing the net income, the amount of subsidy is not added back as these are also part of production cost.</p>	Particulars	Amount	Gross Sale	79,827,602.34	Less: Total Cost of Production	54,507,502.40	<i>Cost of Production</i>	48,677,621.83	<i>Subsidy</i>	5,829,880.60	Net Income (NI)	25,320,099.91	Area	378.38	NI per Hectare
Particulars	Amount																							
Gross Sale	79,827,602.34																							
Less: Total Cost of Production	54,507,502.40																							
<i>Cost of Production</i>	48,677,621.83																							
<i>Subsidy</i>	5,829,880.60																							
Net Income (NI)	25,320,099.91																							
Area	378.38																							
NI per Hectare	₱66,917.12																							
b. From other crops and livelihood activities	5%	₱51,000	₱51,348	5%	₱51,347.53	5%	<ul style="list-style-type: none"> Schedule of Income from Other Crops and Livelihood signed by OIC FTSD <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Gross Sale</td> <td>71,637,270.07</td> </tr> <tr> <td>Less: Cost</td> <td>35,379,570.03</td> </tr> <tr> <td>Net Income (NI)</td> <td>36,254,949.45</td> </tr> <tr> <td><i>Divided by: Area</i></td> <td>706.07</td> </tr> <tr> <td>NI per farmer</td> <td>₱51,347.53</td> </tr> </tbody> </table> <p>The breakdown is as follows:</p>	Particulars	Amount	Gross Sale	71,637,270.07	Less: Cost	35,379,570.03	Net Income (NI)	36,254,949.45	<i>Divided by: Area</i>	706.07	NI per farmer	₱51,347.53					
Particulars	Amount																							
Gross Sale	71,637,270.07																							
Less: Cost	35,379,570.03																							
Net Income (NI)	36,254,949.45																							
<i>Divided by: Area</i>	706.07																							
NI per farmer	₱51,347.53																							

Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks															
Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating																	
SO 3	Assured Production of Quality Locally Produced Tobacco as Desired by Various Markets																							
SM 4	Percentage increase in high grades of tobacco (Grades AA to C/high to medium 2)	Current Year High Grade % less Previous Year High Grade %	6%	0.08% (81.00%)	81%	6%	0.08% (81.00%)	6%	<ul style="list-style-type: none"> Actual Yield, Quality and Income from Tobacco Farming Crop Year 21-22 signed by NTA's FTSD Chief TPRO/OIC <table border="1"> <thead> <tr> <th>Tobacco Type</th> <th>HG</th> <th>Traded Stock</th> </tr> </thead> <tbody> <tr> <td>Virginia</td> <td>252,053.90</td> <td>318,369.17</td> </tr> <tr> <td>Burley</td> <td>467,234.90</td> <td>565,483.00</td> </tr> <tr> <td>Native</td> <td>65,419.00</td> <td>84,911.50</td> </tr> <tr> <td>Total</td> <td>784,707.80</td> <td>968,764.70</td> </tr> </tbody> </table> <p>The breakdown is as follows: The baseline for the computation of the percentage increase is the NTA's 2021 GCG-validated accomplishment of 80.92%.</p>	Tobacco Type	HG	Traded Stock	Virginia	252,053.90	318,369.17	Burley	467,234.90	565,483.00	Native	65,419.00	84,911.50	Total	784,707.80	968,764.70
Tobacco Type	HG	Traded Stock																						
Virginia	252,053.90	318,369.17																						
Burley	467,234.90	565,483.00																						
Native	65,419.00	84,911.50																						
Total	784,707.80	968,764.70																						
Sub-total		23%				17%		15.90%																
SO 4	Strengthen Research and Development and Technology Transfer																							
SM 5	Research Results/Studies:																							
	a. Percentage of completed R&D projects published in national or regional technology journal or newsletters	R&D projects published in national or regional technology journal or newsletters over Completed R&D Projects	6%	50%	50% (2/4)	6%	50% (2/4)	6%	<ul style="list-style-type: none"> Philippine Tobacco News (October-December 2022) <p>The following studies were published during 2022:</p> <ul style="list-style-type: none"> Verification Trial of the Different Fertilizer Recommendation based on the Soil Fertility Status Monitoring of Soil and Water Quality in the Different Tobacco-Growing Areas, Year 5. 															
	b. Number of R&D projects completed	Absolute Number	8%	4	5	8%	2	4%	<ul style="list-style-type: none"> Research Studies <p>NTA submitted five (5) research studies. However, the completion dates were not clearly indicated in the reports. As such, only the two (2) projects in SM 5a, which were published in 2022, were counted.</p>															

INTERNAL PROCESS

Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks													
Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating															
SO 5	Effective Enforcement of Regulatory Measures																					
	Percentage of licensed companies fully compliant to rules and regulations:																					
INTERNAL PROCESS SM 6	a. Local Trading	Total licensed entities with transactions minus number of violators over total licensed entities with transactions	5%	97%	100%	5%	100%	5%	<ul style="list-style-type: none"> • NTA Form 22, 23, 23-A • Summary of Violations • List of Licenses Entities 	The breakdown of local traders is: <table border="1"> <thead> <tr> <th>Local traders</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Field Canvassers</td> <td>325</td> </tr> <tr> <td>Buying Stations</td> <td>30</td> </tr> <tr> <td>Wholesale Dealers</td> <td>14</td> </tr> <tr> <td>Redry</td> <td>3</td> </tr> <tr> <td>Total</td> <td>372</td> </tr> </tbody> </table> Based on the inspection reports, there were no local trading violations during the year	Local traders	Number	Field Canvassers	325	Buying Stations	30	Wholesale Dealers	14	Redry	3	Total	372
	Local traders		Number																			
	Field Canvassers		325																			
Buying Stations	30																					
Wholesale Dealers	14																					
Redry	3																					
Total	372																					
b. Export / Import / Transshipment	5%	95%	100%	5%	100%	5%	<ul style="list-style-type: none"> • Certificate of Inspection/Permit to Transport/ Incidental Report • Import Commodity Clearance • Request for Inspection 	Forty (40) entities had activities during the year. NTA was able to conduct 2,605 inspections. The inspection reports indicated full compliance with NTA rules applicable to importers, exporters, and transshippers														
c. Manufacturing	5%	100%	100%	5%	100%	5%	<ul style="list-style-type: none"> • NTA Form RD-F-044 • List of Manufacturers and their licenses 	Out of the 24 licensed manufacturers, only 18 entities had operation in 2022. Based on the validation of inspection reports (NTA Form RD-F-044), no violations were recorded during the year.														

	Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating			
INTERNAL	SM 7	Percentage of violations acted upon within one (1) working day	No. of Violations acted upon within one (1) working day / Total No. of Violations	5%	100%	100%	5%	100%	5%	<ul style="list-style-type: none"> • NTA Form 22, 23, 23-A • Certificate of Inspection/Permit to Transport/ Incidental Report • NTA Form RD-F-044 	As indicated in the immediately preceding measure, the entities were fully compliant with NTA rules and regulations during 2022; as such, no violations were subjected for resolution. This is also consistent with NTA's submission which indicated that 100% accomplishment.
	Sub-total			34%			34%		30%		
LEARNING AND GROWTH	SO 6	Develop Competent and Highly Work-Motivated Employees in a Conducive Organizational Climate									
	SM 8	Percentage of Employees meeting Required Competencies	Total Number of Incumbents Meeting Required Competencies / Total Number of Incumbents	5%	48%	49%	5%	49.40%	5%	<ul style="list-style-type: none"> • Competency Assessment Report • Position Profiles • List of Trainings and Intervention conduct • 2022 Training Plan 	123 out of 249 (49.40%) regular plantilla employees were considered to have met the required competency.
	SO 7	Enhance Existing Quality Management System									
	SM 9	ISO 9001 Certification	Milestone	5%	ISO 9001:2015 Re-certification	Surveillance Audit Passed	5%	ISO 9001:2015 Re-Certification	5%	<ul style="list-style-type: none"> • ISO Certificate issued by <i>Societe General de Surveillance (SGS)</i> • Third Party Audit Report 	The scope of the certificate covers the following activities: "Research and Development, Regulatory Services, Technology Assistance, Extension and Production Support Services."
Sub-total			10%			10%		10%			

Component			Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks																																													
Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating																																															
SO 8	Attain Financial Stability																																																					
SM 10	EBITDA	Net Income before subsidy + Interest + Taxes + Depreciation + Amortization	5%	(366,644,962)	(386,742,330.78)	5%	(386,742,333)	4.73%	<ul style="list-style-type: none"> • NTA's 2022 Income Statement • 2022 COA Audit Report 																																													
<table border="1"> <thead> <tr> <th colspan="2">Particulars</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td></td> <td>743.002</td> </tr> <tr> <td colspan="3"><i>Less:</i></td> </tr> <tr> <td>PS Cost</td> <td></td> <td>235.951</td> </tr> <tr> <td>MOOE</td> <td></td> <td>382.000</td> </tr> <tr> <td>Financial Expense</td> <td></td> <td>0.000</td> </tr> <tr> <td>Direct Cost</td> <td></td> <td>0.220</td> </tr> <tr> <td>Non-Cash Expense</td> <td></td> <td>159.735</td> </tr> <tr> <td>Losses</td> <td></td> <td>1.699</td> </tr> <tr> <td>Net Income (with subsidy)</td> <td></td> <td>(37.045)</td> </tr> <tr> <td>Add: Financial Subsidy from MOOE</td> <td></td> <td>217.266</td> </tr> <tr> <td>Less: Subsidy</td> <td></td> <td>605.520</td> </tr> <tr> <td>Net Income (pre-subsidy)</td> <td></td> <td>(425.299)</td> </tr> <tr> <td>Add: Depreciation</td> <td></td> <td>38.557</td> </tr> <tr> <td>EBITDA</td> <td></td> <td>(386.742)</td> </tr> </tbody> </table> <p>Financial subsidy is added back in computing for NTA's EBITDA as the amount is from NG subsidy which was charged to the books of NTA as MOOE expense.</p>										Particulars		2022	Total Income		743.002	<i>Less:</i>			PS Cost		235.951	MOOE		382.000	Financial Expense		0.000	Direct Cost		0.220	Non-Cash Expense		159.735	Losses		1.699	Net Income (with subsidy)		(37.045)	Add: Financial Subsidy from MOOE		217.266	Less: Subsidy		605.520	Net Income (pre-subsidy)		(425.299)	Add: Depreciation		38.557	EBITDA		(386.742)
Particulars		2022																																																				
Total Income		743.002																																																				
<i>Less:</i>																																																						
PS Cost		235.951																																																				
MOOE		382.000																																																				
Financial Expense		0.000																																																				
Direct Cost		0.220																																																				
Non-Cash Expense		159.735																																																				
Losses		1.699																																																				
Net Income (with subsidy)		(37.045)																																																				
Add: Financial Subsidy from MOOE		217.266																																																				
Less: Subsidy		605.520																																																				
Net Income (pre-subsidy)		(425.299)																																																				
Add: Depreciation		38.557																																																				
EBITDA		(386.742)																																																				
Budget Utilization Rate:																																																						
a. Subsidy																																																						
SM 11	a.1. Obligation Rate	Total Obligated Subsidy over Total COB from Subsidy [both net of PS Cost]	4%	100%	100%	4%	65.85%	2.63%	<ul style="list-style-type: none"> • BUR signed by NTA Financial Analyst and Finance Manager • NTA ICRS Submission 																																													
<table border="1"> <thead> <tr> <th colspan="3">Breakdown as submitted to ICRS is as follows:</th> </tr> <tr> <th></th> <th>Appropriation</th> <th>Obligation</th> </tr> </thead> <tbody> <tr> <td>MOOE</td> <td>275,083</td> <td>200,174</td> </tr> <tr> <td>CO</td> <td>120,000</td> <td>60,000</td> </tr> <tr> <td>Total</td> <td>395,083</td> <td>260,174</td> </tr> </tbody> </table>										Breakdown as submitted to ICRS is as follows:				Appropriation	Obligation	MOOE	275,083	200,174	CO	120,000	60,000	Total	395,083	260,174																														
Breakdown as submitted to ICRS is as follows:																																																						
	Appropriation	Obligation																																																				
MOOE	275,083	200,174																																																				
CO	120,000	60,000																																																				
Total	395,083	260,174																																																				

FINANCE

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks													
Objective/Measure	Formula	Wt.	2022	Actual	Rating	Score	Rating																
FINANCE	a.2. Disbursement Rate	Total Disbursement over Total Obligations [both net of PS Cost]	4%	100%	100%	4%	100%	4%	Breakdown of as submitted to ICRS is as follows: <table border="1"> <thead> <tr> <th></th> <th>Obligation</th> <th>Disbursement</th> </tr> </thead> <tbody> <tr> <td>MOOE</td> <td>200,174</td> <td>200,174</td> </tr> <tr> <td>CO</td> <td>60,000</td> <td>60,000</td> </tr> <tr> <td>Total</td> <td>260,174</td> <td>260,174</td> </tr> </tbody> </table>		Obligation	Disbursement	MOOE	200,174	200,174	CO	60,000	60,000	Total	260,174	260,174		
		Obligation	Disbursement																				
MOOE	200,174	200,174																					
CO	60,000	60,000																					
Total	260,174	260,174																					
b. Disbursement of Internally Generated Funds (IGF)	Total Disbursement from IGF over Total COB from IGF [both net of PS Cost]	2%	90%	96.23%	2%	49.63%	1.10%	Breakdown of as submitted to ICRS is as follows: <table border="1"> <thead> <tr> <th></th> <th>Obligation</th> <th>Disbursement</th> </tr> </thead> <tbody> <tr> <td>MOOE</td> <td>221,289</td> <td>128,210</td> </tr> <tr> <td>FinEx</td> <td>288,056</td> <td>126,448</td> </tr> <tr> <td>CO</td> <td>61,150</td> <td>28,466</td> </tr> <tr> <td>Total</td> <td>570,495</td> <td>283,124</td> </tr> </tbody> </table>		Obligation	Disbursement	MOOE	221,289	128,210	FinEx	288,056	126,448	CO	61,150	28,466	Total	570,495	283,124
	Obligation	Disbursement																					
MOOE	221,289	128,210																					
FinEx	288,056	126,448																					
CO	61,150	28,466																					
Total	570,495	283,124																					
SM 12	Collection efficiency:																						
	(a) Tobacco	Total Actual Collection / Total Production Assistance Released	4%	86%	73%	3.75%	78.48%	3.65%	• Collection Schedule signed by NTA Accountant, and Finance Manager	The collection efficiency per program is computed as follows: <table border="1"> <thead> <tr> <th>Program</th> <th>Total Collection</th> <th>Released from COB</th> </tr> </thead> <tbody> <tr> <td>Tobacco</td> <td>97,935</td> <td>124,942</td> </tr> <tr> <td>Rice</td> <td>32,531</td> <td>36,002</td> </tr> <tr> <td>RE</td> <td>1,246</td> <td>1,246</td> </tr> </tbody> </table>	Program	Total Collection	Released from COB	Tobacco	97,935	124,942	Rice	32,531	36,002	RE	1,246	1,246	
	Program		Total Collection	Released from COB																			
	Tobacco		97,935	124,942																			
Rice	32,531	36,002																					
RE	1,246	1,246																					
(b) Rice	3%	97%	90.36%	2.75%	90.36%	2.79%																	
(c) Renewable energy	1%	100%	100%	1%	100%	1%																	