



NATIONAL TOBACCO ADMINISTRATION

STRATEGIC PLAN

2023-2028



National Tobacco Administration
Strategic Plan FY 2023-2028

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11th Floor, The Upper Class, Quezon Ave.
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LIST OF ACRONYMS

AD	Administrative Department
BOC	Bureau of Customs
BSC	Balanced Scorecard
CMT	Change Management Team
COB	Corporate Operating Budget
COP	Cost of Production
CPD	Corporate Planning Department
CSC	Civil Service Commission
DA	Department of Agriculture
DBM	Department of Budget and Management
EIC	Education, Information and Communications
EO	Executive Order
FGD	Focus Group Discussion
FTSD	Farm Technology and Services Department
GOCC	Government-Owned and –Controlled Corporation
HR	Human Resources
IAD	Internal Audit Department
ICT	Information and Communications Technology
IFOIGAP	Integrated Farming and Other Income-Generating Activities Project
IPCR	Individual Performance Commitment and Review
IQA	Internal Quality Audit
IRD	Industrial Research Department
IS	Information System
LGU	Local Government Unit
MC	Memorandum Circular
MISD	Management Information System Division
MOA	Memorandum of Agreement
NBI	National Bureau of Investigation
NTA	National Tobacco Administration
OPCR	Office Performance Commitment and Review
PAPs	Programs/Activities/Projects
QAD	Quality Assurance Division
RA	Republic Act

RD	Regulation Department
R&D	Research and Development
RM	Results Matrix
ROI	Return on Investment
RP	Restructuring/Reorganization Plan
SO	Special Order
STEP	Sustainable Tobacco Enhancement Program
SWOT	Strengths, Weaknesses, Opportunities and Threats
TCGS	Tobacco Contract Growing System
TNA	Training Needs Analysis
TPRO	Tobacco Production and Regulation Officer

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MESSAGE

I am proud to share with you the **NTA Strategic Plan 2023-2028**, our latest approach to cement and communicate our shared dream of a Sustainable Tobacco Industry with progressive and empowered tobacco farmers and other stakeholders in the agriculture sector.

In formulating this Plan, NTA looks forward to the future with high hopes that its programs and services will address the issues affecting productivity and income of tobacco growers, and help in the food sufficiency and poverty reduction program of President Ferdinand “Bong Bong” Marcos Jr.


This is the very essence of this Strategic Plan. We provide the direction of the agency’s programs, projects, and activities in continuing our momentum in being a regulatory agency that responds to the needs of the tobacco growers and their communities and its contributions to the long-term goal of overcoming poverty in the agriculture sector.

The Strategic Plan will be focused on key strategies to implement this six-point or STEP-UP agenda: (1) sustainable local production; (2) transforming small-scale farming into a larger commercial food system; (3) enhanced productivity and income-generating activities; (4) partnership with key stakeholders to sustain inclusive and resilient growth; (5) upgrading farm technology, infrastructure and research facilities; and (6) priority programs to promote the welfare of employees. We will keep this in mind as we prepare to embark on a strategic direction towards change.

I enjoin the NTA officials and staff to use this document faithfully at all times to ensure that all initiatives and programs we embark on for our stakeholders and beneficiaries are aligned and complementary with the strategic plans.

I look forward to seeing everyone contribute towards creating our future together.

Mabuhay ang NTA! Mabuhay tayong labat.


BELINDA S. SANCHEZ
Administrator and CEO





INTRODUCTION

The National Tobacco Administration conducted the Strategic Planning Workshop to revisit the agency’s mission and vision, strategic goals, objectives, and initiatives. This will allow the Top Management and senior officers to develop strategic options that would enable the NTA to assess the present state of the industry and chart the direction it should take in fulfilling its mandate of promoting farmers’ welfare, and select and prioritize among strategies to implement a menu of reforms that will make the agency more responsive to its changing environment.

For the last six years, there have been new developments in the overall government strategic directions of the agriculture sector. The Department of Agriculture has issued the OneDA Reform Agenda to modernize and industrialize agriculture in the country. This new framework has been the basis for the formulation of the **Sustainable Tobacco Enhancement Program** (STEP) in 2020, a five-year development roadmap for the tobacco industry.

The STEP highlights Block Farming as its main strategy to achieve the twin objectives of “increased productivity and income of tobacco farmers” and aligned with the four pillars established by the DA: Consolidation, Modernization, Industrialization, and Professionalization. The DA also formulated the National Agriculture and Fisheries Modernization and Industrialization Plan 2021-2030, as a whole-of-nation plan, or a Directional Plan, to steer sector-wide growth over the next decade.

The Administration of **President Ferdinand R. Marcos Jr.**, who is the concurrent DA Secretary, issued its 8-Point Socio-economic Agenda, which included food security and creating more jobs as among its priorities, and the basis on the President’s pronouncement to fix the value chain in order to address short-term and long-term problems in the agriculture sector. The proposed Philippine Development Plan 2023-2028 has included ensuring food security and modernization of agri-fishery and agribusiness as the main concerns of the agriculture sector.

Despite these new challenges, and cognizant of the perennial issues and threats against the tobacco industry, the NTA strives to be a responsive government agency for the tobacco growers and solid in its efforts to regulate the production and marketing of tobacco leaves and products.

In view of the current developments in the agriculture sector, along with the latest issuances on tobacco regulations, and the entry of new senior officers in the agency, it is imperative for the National Tobacco Administration to formulate a strategic plan (Strat Plan) that will guide the organization in the conceptualization, development, implementation, monitoring and evaluation of the programs, projects and activities of NTA in the next six years.

The Strat Plan is a product of extensive consultations with various units of the agency including our stakeholders—national government agencies (NGAs), local government units (LGUs), and the private sector, with the top officials, from the Board of Directors, Top Management, and Managers to the Division Level staff working together as a group in the strategic planning workshop in Tagaytay City on February 1-3, 2023.

The Governing Board, through an Executive Committee meeting held on June 15, 2023 and the issuance of Board Resolution No. 088, series of 2023, has approved the new vision and mission statements. The Resolution also updated the core values and specified the Strategic Objectives, Performance Measures, and Strategic Initiatives and Programs to be adopted by the Agency.



NTA MANDATES & FUNCTIONS

The National Tobacco Administration (NTA), the sole government regulatory agency and an attached corporation of the Department of Agriculture (DA), was created through **Executive Order (EO) 245** issued by President Corazon C. Aquino on July 24, 1987, implementing the consolidation of eight tobacco agencies under EO No. 116 s. 1987.

It oversees and regulates the growth and development of the industry, and looks after the welfare of smallholder farmers.

Agency Mandates. Under its charter (*Section 2, EO No. 245*), the NTA, as the sole tobacco agency, was given two mandates, namely:

1. Improve the economic and living conditions and raise the quality of life of the tobacco farmers including those who depend upon the industry for their livelihood
2. Promote the balanced and integrated growth and development of the tobacco industry to help make agriculture a solid base for industrialization



Additional mandates as embodied in Section 33 of Republic Act (RA) No. 9211 or the Tobacco Regulation Act of 2003.

- (1) **Tobacco Growers Assistance Program** – to support financially the NTA-registered tobacco farmers who may be displaced due to the implementation of the said RA or has voluntarily ceased planting tobacco;
- (2) **Tobacco Grower Cooperatives Program** – to assist tobacco farmers in developing alternative farming systems, plant alternative crops and other livelihood projects;
- (3) **National Tobacco Free Public Education Program** – to provide scholarship for dependents of tobacco farmers in collaboration with state colleges and universities;
- (4) **Research and Development Program** – to undertake studies concerning technologies and methods to reduce the risk of dependence on or injury from tobacco product usage and exposure and development of alternative uses of tobacco and similar research programs.

Powers and Functions. To effectively and efficiently carry out its mandate, the Agency was vested with the specific powers to:

1. Promulgate and enforce rules and regulations on the production, standardization, classification, grading and trading of tobacco and tobacco products as may be necessary to attain its purposes and objectives and pursue the policy of government on tobacco
2. Conduct agricultural and industrial research and establish, operate and maintain experimental stations
3. Accept and receive financial and other support from private and other sources for the development and promotion of the Philippine tobacco industry
4. Provide incentives and other financial assistance to tobacco growers and associations, directly or in conjunction with accredited financial institutions
5. Impose administrative sanctions for violation of the rules and regulations issued by NTA

ORGANIZATIONAL STRUCTURE

The National Tobacco Administration is a government-owned and -controlled corporation (GOCC) attached to the Department of Agriculture.

The NTA's original structure (*Figure 1*) was based on the reorganization of the agency in 2007. Per GCG Memorandum No. 2018-09 dated October 22, 2018, the Internal Audit Service was restructured and renamed Internal Audit Department (IAD), with additional positions and functions.

The **NTA Governing Board**, vested with corporate powers, formulates policies, promulgates regulations and prescribes rules necessary for the attainment of the purposes and objectives of the agency. The office of the **Corporate Secretary** provides secretariat and administrative services to the Board and its committees, while the **IAD** reports to the Governing Board on its review and evaluation of policies, systems and procedures to determine their propriety and adequacy towards effectiveness, efficiency and economy in the achievement of the Agency's goals and objectives.

The **Administrator**, also the Vice-Chair of the Governing Board, implements Board-approved policies, guidelines, plans/programs/projects, rules and regulations, and systems and procedures, and provides overall direction, coordination, control and supervision over the Operations and Support Services. The **Corporate Planning Department** and the **Project Management Office** report directly to the Office of the Administration.

The **Office of the Deputy Administrator for Operations (DAOP)** provides overall direction, control, coordination, and supervision of the development and implementation of the Agency's programs and projects by the **Farm Technology Development and Services (FTSD)**, **Industrial Research Department (IRD)**, **Regulation Department**, and the eight **Branch Offices** (Ilocos Norte, Vigan, Candon, Abra, La Union, Pangasinan, Cagayan, and Isabela) and ensure that such is in accordance with set directions, thrusts, policies and plans, and that the output and results are within the set performance targets and standards.

The **Office of the Deputy Administrator for Support Services (DASS)** provides overall direction, control, coordination, and supervision of the **Finance** and **Administrative Departments** to ensure that the provision of support services needed in the implementation of the Agency's programs and/or services are well coordinated and in accordance with approved

policies, plans, systems and procedures and that outputs are within set standards.

NTA has 353 regular plantilla positions, 246 (70%) of which are in the Branch Offices, including the FTSD, based in Batac City, Ilocos Norte.

- Number of Filled positions: 282¹
- Number of Unfilled positions: 71
- Number of Job Orders: 158

To address structural concerns, the Change Management Team has been created to develop an organizational structure and staffing pattern to beef up manpower for additional programs/projects/activities.

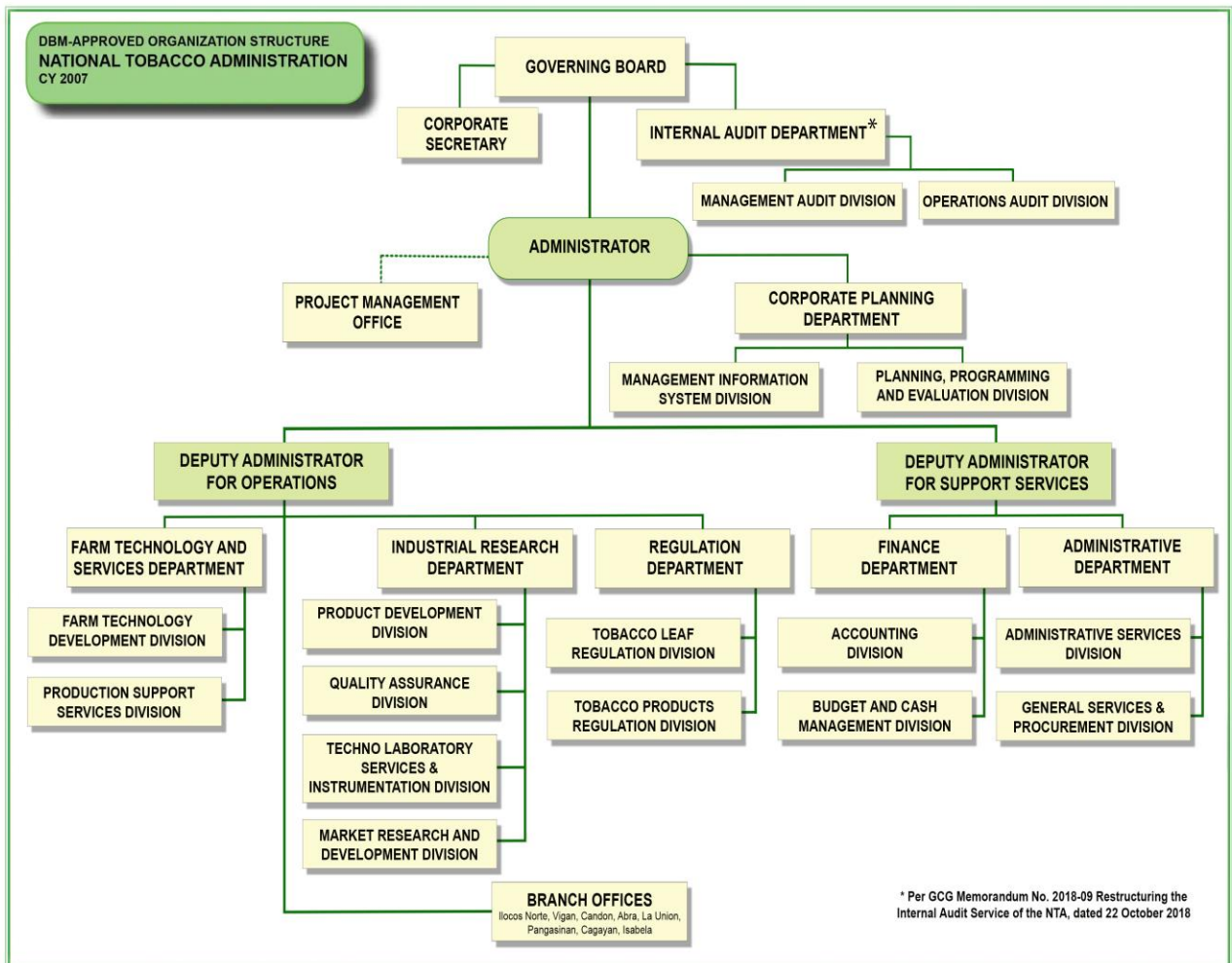


Figure 1. NTA Organizational Chart

¹ NTA Administrative Department record, as of May 2023.

PLANNING PROCESS AND FRAMEWORK

This Strat Plan benefits from the inputs of major stakeholders in the tobacco industry, which were solicited in the annual Customer Satisfaction Survey and in various consultations with the private sector and the local government units during the implementation of the programs and projects of the agency. The Environmental Scanning and Performance Review was conducted with various operating units in the agency, where issues and challenges through SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis, along with the five-year performance report, were discussed. The Strategic Planning Workshop facilitated by consultants from the Advocates for Development Management and Sustainability (ADMS) was conducted at the Hotel Dominique in Tagaytay City on February 1-3, 2023. The consultants also assisted the Strategic Planning Team and Secretariat, and the various heads of the operating units, in the review, enhancement and finalization of the different outputs of the planning intervention.

The planning process utilized the **Balanced Scorecard** (BSC) System as the government's current performance management framework for GOCCs. BSC is an integrated framework for describing strategy through the use of linked performance measures in different balanced perspectives – “Socio-economic Impact,” “Stakeholders,” “Internal Process,” “Learning and Growth,” and “Financial Stewardship.”

- Under the **Social Impact** perspective, NTA ensures that its programs, projects and activities create net benefits for the economies and societies in which it operates – and mitigates the risk of negative publicity, protest, and declining government support for current and future operations. Measuring socio-economic impact can help the agency in its performance, stability, and capacity for growth.
- The **Stakeholders** perspective monitors how the agency is providing value to its customers and interested parties, which determines the level of customer satisfaction with the services it provides. Customer satisfaction is an indicator of the agency's success.
- The **Internal Processes** perspective determines how the agency will excel and continue to be agile on its core processes and at par with global standards and best practices.

- Under the **Learning and Growth** perspective, the personnel in the organization are required to demonstrate high performance and competence in terms of leadership, the entity’s culture, application of knowledge, and skill sets.
- Under the **Financial Stewardship** perspective, the goal of the agency is to ensure that it earns a return on the investments made and manages key risks involved in operations of the agency. Financial stewardship in government also demonstrates the judicious use of its resources.

The perspectives are supported by the two pillars: **Client Responsiveness** and **Organizational Efficiency**, representing the key areas that the NTA must excel in to make its vision a reality.

Client responsiveness is a measure of the agency’s ability to react to and satisfy the needs of its customers. Organizational efficiency is the organization’s ability to implement quality outputs with minimum inputs within a specified timeframe.

A balanced scorecard puts into perspective the measures and objectives that can help operations run more effectively. It highlights on the **Strategy Map**, which focuses on outcomes/breakthrough results, and the **Performance Score-card**, in which the measures relate to outcomes that are within the control/influence of the organization.



ISSUES AND CHALLENGES

Challenges and recurrent and emerging issues against the industry remain as the NTA strives to be more effective and efficient in fulfilling its mandates and attaining its goals. These are serious concerns that the planning team has considered in charting the course of the agency for the years ahead and live up to its role as vanguard of the Philippine tobacco industry and protector of farmers' welfare.

Limited budget for project expansion and implementation of the five-year development plan. The previous strategic plan of the agency significantly focused on increasing productivity and income for the local tobacco growers. NTA, however, has a budget of P550.5 million for 2023, lower than the P2.2 billion that it proposed for the year to fund programs and projects to initially implement Block Farming under the STEP. As in previous years, the agency has a tight budget to work with, which can make the implementation of projects and programs for the farmers a big challenge.

Campaigns, programs and policies against smoking and tobacco; public misconception. The heightened awareness and serious campaigns among health advocates to get rid of smoking and to increase domestic taxes on tobacco have adversely affected the local tobacco industry. Some sectors would readily correlate tobacco industry to smoking, hence tobacco farming must also be banned in the country.

Smuggling of tobacco leaf/products. Unabated smuggling and counterfeiting of tobacco products deprive government between P30 billion to P60 billion annually in revenues. This affects a slew of industries, agencies and livelihoods—from agriculture, tobacco farmers, farm workers, retailers, consumers, tobacco-growing LGUs, and revenue collection agencies.

Climate change, ecological disturbance. El Niño, drought, and changes in weather events may all result in reduced tobacco production. The hope to recover from the off-season or “freak” rains that affected the tobacco crop in 2021 and 2022 was dimmed with the threat of the El Niño occurrence this coming tobacco production. The challenge has been very formidable for the agency to cushion the adverse effects of the above conditions.

High cost of production inputs. Prices of fertilizers and other farm inputs have risen considerably since March 2021 due to the effect of the coronavirus disease (COVID-19) pandemic, strong global demand, and expensive energy cost. High cost of farm inputs could make tobacco production less attractive to farmers, thus adversely affecting productivity for the coming seasons.

During challenging times or when the resilience of the industry is being truly tested, the agency needs to know its strengths and actively use these strengths more than ever.

To serve as inputs in the formulation of the agency's strategic direction, the organization's *strengths, weaknesses, opportunities, and threats* were identified, prioritized, and matched to initially draft strategic options vis-à-vis the four perspectives of the balanced scorecard. Inputs during the Environmental Scanning and Performance Review were used to serve as the initial bases of the assigned group in identifying priorities to redefine the direction of NTA in the next five years during the Planning Workshop and later validated by the rest of planning participants.

The workshop on SWOT Analysis had identified the following strengths to support the agency:

- **Strong leadership and management support**
- **Efficient management of financial resources**
- **Availability of technically competent and committed staff**
- **Presence of research and development resources**
- **Availability of programs, policies responsive to the needs of farmers/stakeholders**

The same workshop identified potential areas for development or improvement that can be taken advantage of, and maybe aligned with the strengths of the agency to make good things happen.

Some opportunities that the planning team has identified are as follows:

- **Supportive LGUs, national agencies**
- **Tobacco market viability/sustainability**
- **Recognition of NTA regulatory function by private sector**
- **Availability of information/communication technology resources**
- **Availability of Tobacco Fund (RA 4155) for the establishment of Tobacco Grading Institute and implementation of STEP**

STRATEGIES BASED ON SWOT MATCHING

Using the SWOT analysis, the workshop participants identified the agency's internal strengths and weaknesses and its external environment of opportunities and threats. By knowing how they can make the most of the strengths and circumventing its weaknesses, and how to capitalize external opportunities and manage threats (external), the participants gained a better understanding of the options available to the agency.

These options that were identified became the alternative options as listed below.

Strengths-Opportunities

Strategies that leverage the strengths of the agency to capitalize on opportunities are:

- Engage LGUs into partnership in the implementation of key PAPs
- Invest in Information and Communication Technology to upgrade database and communication system
- Invest on market research and agri/industrial research for other commercial uses of tobacco
- Focus on the establishment of Tobacco Grading Institute
- Invest in capability training of manpower
- Full implementation of block farming as key strategy in STEP

Weaknesses-Opportunities

Strategies or ways to resolve weaknesses in a goal to take advantage of opportunities are:

- Engage LGUs into partnership in the implementation of key PAPs
- Seek legislative/executive support for additional funding
- Enhance monitoring and evaluation on the implementation and enforcement of policies



Strengths-Threats

Strategies based on using strengths to counter external threats are:

- Engage LGUs in the provision of financial assistance to farmers
- Increase budget on renewable fuelwood project
- Enhance research on climate-resilient variety, balanced fertilization
- Enhance cooperation with Bureau of Customs (BOC), Congress, National Bureau of Investigation (NBI) against illicit trade
- Enhance information dissemination on the socio-economic benefits of tobacco industry
- Invest in studies on the alternative uses of tobacco

Weaknesses-Threats

Strategies or ways to minimize weaknesses and counter threats are:

- Seek cooperation with other regulatory agencies
- Seek legislative/executive support for additional funding on DRRM-related projects



VISION, MISSION, AND CORE VALUES

The NTA's, vision and mission are still consistent with the national government's long-term goal of providing a *"food-secure, resilient Philippines with empowered and prosperous farmers and fisherfolk"* for the agriculture sector, ancillary to boost local production and raising farmers' income at the medium term, under the 8-point economic agenda of President Ferdinand R. Marcos, Jr.

Mission

Provide excellent service to enrich the lives of Tobacco Farmers and other industry stakeholders through meaningful programs that improve productivity and promote global competitiveness²

Vision

By 2028, a resilient NTA resulting in progressive and empowered tobacco farmers and other industry stakeholders³



² The previous mission statement of NTA was stated as follows: "Enhance capabilities, build synergistic relationship among sectors, and mobilize resources for the development of the tobacco industry, in accordance with existing laws, for the benefit of the tobacco farmers and other industry stakeholders."

³ The previous vision statement of NTA was stated as follows: "An improved quality of life of the tobacco farmers and other stakeholders through increased productivity and other income generating activities."

Core Values

The corporate culture is built upon shared values within the organization. NTA is committed to advance and support the interest of the tobacco growers, and the Philippine tobacco industry, and remain as important pillar in the national economy. Thus, our employees abide by these core values which exemplify the beliefs, behavior, and aspirations of its employees as a government corporation.

Performance Excellence. Strive for the best and taking pride in fulfilling our mandate and applying technical knowledge to serve the farmers and other industry stakeholders.

Resiliency. Able to withstand, recover quickly and adapt well in the face of adversity, catastrophe, or threats to the industry.

Innovation. Strive for a continuous improvement mindset, transforming new ideas into tangible results, because we want to be the best we can be.

Client Focus. Commit to listen and respond positively to the needs of our farmers and other stakeholders.

Entrepreneurship. Have the initiative, skill and motivation to establish a business offering new or existing products or services to achieve success and a high level of reward.



Quality Management System Policy Statement

The NTA is ISO-certified on Quality Management System (QMS) (ISO 9001:2015) for its core processes, attesting to its commitment to provide its customers quality services on its core processes.

NTA QUALITY POLICY

The National Tobacco Administration commits to provide customers with Distinct Quality:

**Research and Development;
Technology Assistance, Extension and Production Support;
and Regulatory Services**

“We affirm this commitment through:

- **Application of continually-improving, cost-effective, income-increasing, environment-friendly, and stakeholder-focused approach of Management System;**
- **Compliance with Laws, Policies, Rules and Regulations concerning NTA operations; and**
- **Ensuring the quality, timeliness, adequacy, and responsiveness of programs and services to the full satisfaction of the customers, through collaborative consultation in the continuing development, implementation, review and enhancement.”**

This Quality Policy shall be made known to all employees and stakeholders, and shall be reviewed periodically for its continuing suitability

STRATEGIC OBJECTIVES

To support the achievement of its goals, NTA formulated nine strategies, based on the comprehensive SWOT analysis. This approach enabled NTA determine and evaluate current scenario representing its external and internal environments.

The **strategic objectives** are consistent with the President’s 8-Point Agenda, Philippine Development Plan (PDP), and applicable sector-specific development plans, and reflect the GOCC’s operations and priorities.

It conforms to the STEP-UP agenda of Administrator and CEO Belinda S. Sanchez that she issued during the first day of the planning workshop in Tagaytay City.

NTA Strategic Perspectives and Strategic Objectives

Strategic Perspectives	Strategic Objectives
Social Impact	1. Viable tobacco industry sustained
Stakeholders	2. Quality of life of tobacco farmers improved 3. Linkages with tobacco industry stakeholders expanded and strengthened
Internal Processes	4. Research & development and technology transfer strengthened 5. Regulatory measures effectively enforced 6. Quality Management System institutionalized
Learning and Growth	7. Competent and highly motivated employees 8. Responsive organizational structure
Financial Stewardship	9. Financial stability and viability sustained

The **Strategy Map** is presented in *Figure 2*, a visual presentation of the overall aspirations and direction of the agency in six years (2023-2028)

<h2 style="margin: 0;">NTA Strategy Map 2023-2028</h2>	<p>VISION: By 2028, a resilient NTA resulting in progressive and empowered tobacco farmers and other industry stakeholders</p>	<p>MISSION: Provide excellent service to enrich the lives of Tobacco Farmers and other industry stakeholders through meaningful programs that improve productivity and promote global competitiveness</p>	<p>CORE VALUES Performance Excellence Resiliency Innovation Client Focus Entrepreneurship</p>
Social Impact	Stakeholders	Internal Process	Learning and Growth
Stewardship	Financial	Internal Process	Learning and Growth

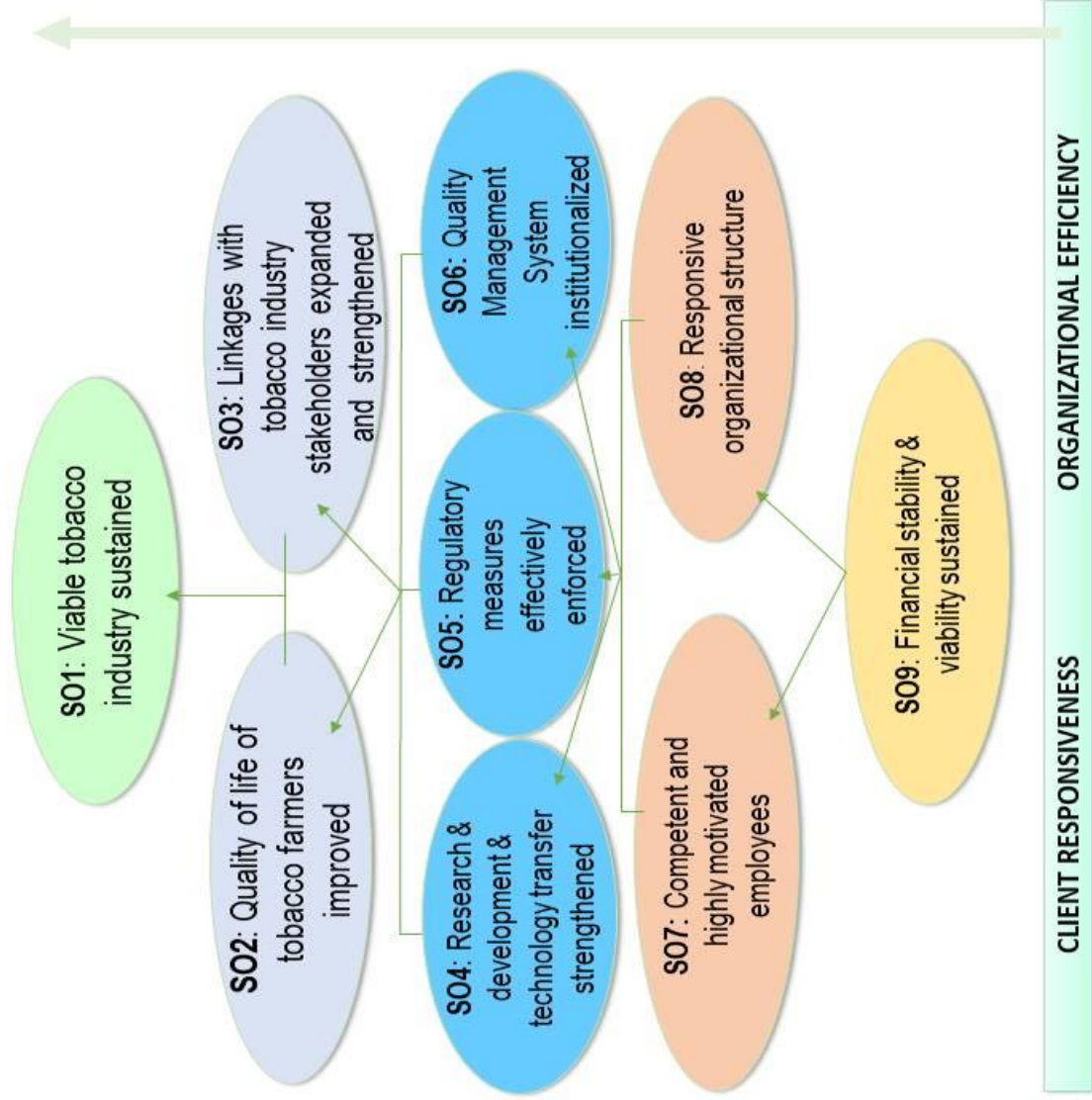


Figure 2. NTA Strategy Map

PERFORMANCE MEASURES

To assess the efficiency and effectiveness of projects, programs and initiatives, drive behavior and test the validity of the strategies, NTA identified the following performance measures per strategic objectives. These measures shall also be included in the agency’s annual review and submission of its Performance Scorecard to GCG.

NTA Strategic Measures

Social Impact	
SO1 Viable tobacco industry sustained	1. Yield per hectare
Stakeholders	
SO2 Quality of life of tobacco farmers improved	2. Percentage of satisfied customers (tobacco farmers and industry stakeholders) 3. (a) Farmers’ Net Income from tobacco (b) Farmers’ Net Income from other crops and livelihood activities 4. Number of farmer-cooperators beneficiaries who availed of production assistance 5. Number of farmers or dependents trained in alternative livelihood 6. Percentage increase in high grades of tobacco (Virginia: Grades AA to C, Burley: A to C, Native: High-Grade to Medium 2) 7. Number of functional farmers' organizations/associations/cooperatives 8. Percentage of TCGS farmers with income above the poverty threshold of the province
SO3 Linkages with tobacco industry stakeholders expanded and strengthened	9. Number of active linkages with MOU/Contract/MOA
Internal Process	
SO4 Research & development (R&D) and technology transfer strengthened	10. Number of R&D projects completed 11. Number of completed R&D published in national or regional technology publication journals or newsletter 12. Number of matured technologies transferred

SO5 Regulatory measures effectively enforced	<p>13. Percentage of licensed companies fully compliant to rules and regulations</p> <ul style="list-style-type: none"> (i) Local trading (ii) Export/Import /Transshipment (iii) Manufacturing <p>14. Percentage of violations acted upon within one (1) working day</p>
SO6 Quality Management System institutionalized	<p>15. (i) ISO certification sustained</p> <ul style="list-style-type: none"> (ii) No. of branch offices ISO-Certified <p>16. (i) No. of information systems developed /enhanced</p> <ul style="list-style-type: none"> (ii) No. of databases integrated
Learning and growth	
SO7 Competent and highly motivated employees	<p>17. (i) % of employees meeting required competencies</p> <ul style="list-style-type: none"> (ii) % of employees trained on the needed competencies <p>18. (i) Number of employees receiving awards</p>
SO8 Responsive organizational structure	<p>19. (i) Proposed structure approved</p> <ul style="list-style-type: none"> (ii) % increase in approved plantilla positions
Financial Stewardship	
SO9 Financial stability and viability sustained	<p>20. Budget Utilization:</p> <ul style="list-style-type: none"> a. Subsidy: <ul style="list-style-type: none"> (i) Obligation Rate (ii) Disbursement Rate b. Disbursement Rate of Internally-Generated Fund <p>21. Income Generation:</p> <ul style="list-style-type: none"> (i) Regulatory Services (ii) Tobacco Contract Growing Services (TCGS) Fees (iii) Administrative / Service Fees

SCORECARD

NTA Strategic Plan 2023-2028 is guided by its vision to become a resilient agency resulting in progressive and empowered tobacco farmers and other industry stakeholders.

Below are the targets set for 2023-2028 per performance measures.

Social Impact									
STRATEGIC OBJECTIVES	PERFORMANCE INDICATORS	FORMULA	TARGET						
			2022 (BASE-LINE)	2023	2024	2025	2026	2027	2028
Viable tobacco industry sustained	Yield per hectare	Total Production/ Total Area	2,560	2,560	2,560	2,560	2,560	2,560	2,560
Stakeholders									
Quality of life of tobacco farmers improved	% of satisfied customers (tobacco farmers and industry stakeholders)	No. of respondents which gave at least a Satisfactory rating / Total number of respondents	90%	90%	90%	90%	90%	90%	90%
	(a) Farmers' Net Income from tobacco	Total annual net income/total area	66,917.00	82,000.00	82,000.00	95,950.00	96,909.00	97,878.00	98,857.00
	(b) Farmers' Net Income from other crops and livelihood activities	Total annual net income/total no. of farmers	51,347.00	51,000.00	52,000.00	52,545.35	53,070.80	53,601.51	54,137.53
	Number of farmer-cooperators/beneficiaries who availed of production assistance	Total no. of farmers assisted	7,700.00	8,483.00	9,331.00	10,280.00	11,362.00	12,479.00	13,748.00
	Number of farmers or dependents trained in alternative livelihood	Absolute number	450	450	450	450	450	450	450
	% increase in high grades of tobacco (Virginia: Grades AA to C, Burley: A to C,	% in High Grades (current yr. less previous yr. over previous yr.) x 100	70%	71%	72%	73%	74%	75%	76%

	Native: High-Grade to Medium 2)								
	No. of functional farmers' orgs / associations/coops	No. of registered and active tobacco farmers orgs for the last two years	16	16	24	32	40	48	56
	No. of TCGS farmers with income above the poverty threshold of the province	No. of farmers with income from tobacco & other sources above poverty threshold / Total no. of tobacco farmers assisted in the province	60%	62%	64%	68%	70%	72%	74%
Linkages with tobacco industry stakeholders expanded and strengthened	Number of active linkages with MOU/Contract/MOA	Actual count of active linkages	8	8	16	16	24	24	24
Internal Process									
Research & development and technology transfer strengthened	No. of R&D projects completed	Actual count of R&D projects completed	4	4	4	4	4	4	4
	No. of completed R&D published in national/regional technology publication journals or newsletter	Actual count of R&D published	2	2	2	2	2	2	2
	No. of matured technologies transferred	Actual count of mature technologies	1			1			1
Regulatory measures effectively enforced	% of licensed companies fully compliant to rules and regulations (i) Local trading	Total licensed entities less no. of violators over total licensed entities	97%	97%	97%	97%	97%	97%	97%
	(ii) Export/Import /Transshipment		95%	95%	95%	95%	95%	95%	95%
	(iii) Manufacturing		100%	100%	100%	100%	100%	100%	100%
	Percentage of violations acted upon within one (1) working day	No. of violations resolved / Total no. of violations	97%	97%	97%	97%	97%	97%	97%
Quality Management System institu-	(i) ISO certification sustained	Milestone	Recertified	Surveillance audit passed	2 nd surv. audit passed	Re-certified	Surv. audit passed	2 nd Surv. audit passed	Recertified

tionalized	(ii) No. of branch offices ISO-Certified								
	(i) No. of information systems developed /enhanced	Actual count	1	1	1	1	1	1	1
	(ii) No. of databases integrated	Actual count	1	1	1	1	1	1	1

Learning and Growth

Competent and highly motivated employees	(i) % of employees meeting required competencies	Total no. of employees meeting the required competencies / Total no. of employees	49%	49%	49%	54%	59%	64%	69%
	(i) Number of employees receiving awards	Actual count	18	18	20	29	29	29	29
Responsive organizational structure	(i) Proposed structure approved	Proposed structure approved	Creation of CMT	CSA Work force Analysis	Draft structure	Submit to board for approval	Discussion with GCG	GCG Approval & Submission to CSC	Approved plantilla positions & proposed structure approval
	(ii) % increase in approved plantilla positions	% increase/decrease in approved plantilla positions							

Financial Stewardship

Financial stability and viability sustained	Income Generation: (i) Regulatory Services	Absolute actual collection / total production assistance released	128,965,45 8.23	134,020,75 9.65	135,397,60 3.15	162,477,12 3.78	162,477,12 3.78	162,477,12 3.78	6,266,742.43
	(ii) Tobacco Contract Growing Services Fees		6,266,742.4	6,266,742.4	6,266,742.4	6,266,742.4	6,266,742.4	6,266,742.4	6,266,742.4
	(iii) Other Income-generating projects								
	(iv) Administrative / Service Fees		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Budget Utilization: Subsidy: (i) Obligation Rate	Total Obligation over Total SARO Releases	100%	100%	100%	100%	100%	100%	100%
	(ii) Disbursement Rate	Total Disbursements over Total NCA	100%	100%	100%	100%	100%	100%	100%
	Disbursement Rate of Internally-Generated Fund	Total Disbursements over Total Corporate Fund	100%	100%	100%	100%	100%	100%	100%



STRATEGIC INITIATIVES

The strategic plan introduces priority strategic initiatives that will appropriately address the challenges and take advantage of the significant opportunities for the agency.

Social Impact	
Strategic Objective	Viable tobacco industry sustained
Strategic Initiative	POLICY REVIEW AND DEVELOPMENT PROGRAM
<p>Initiative Head/Champion</p> <p>Administrator and CEO Belinda S. Sanchez OIC DAOP Dr. Giovanni B. Palabay DASS Benedicto M. Savellano</p> <p>Project Objective and Description</p> <p>The Program aims to review and update existing policies and develop new ones that will address changing organizational requirements.</p> <p>Review of existing policies is conducted to determine relevance to operations, effectiveness of objectives, efficiency in implementation, and applicability/compliance to government laws and issuances. New policies are developed based on directives pronounced by the Governing Board and are issued by management to guide officials and staff in the conduct of their day-to-day operations and/or program/project implementation.</p> <p>Policy review and development involves executive and managerial level officials. Triggers for policy review and development may include gaps in implementation identified through internal and external audit outdated policies that render operations at risk, and noncompliance with new laws and regulations. Policy review may include review of board resolutions, special orders, office orders, memoranda, project guidelines, etc.</p>	

Activities/Milestones	<ol style="list-style-type: none"> 1. Review of existing policies (Board resolutions, special orders, memos, project guidelines, etc.) 2. Formulation of new policies: <ul style="list-style-type: none"> - To address gaps in project guidelines - To determine levels of budget allocation - To determine coverage of production assistance for the year 3. Approval of revised/new policies 4. Cascading of revised/new policies to concerned units/stakeholders thru: <ul style="list-style-type: none"> - Memo issuances - Posting in website - Issuance of project guidelines 5. Adoption and implementation of rules, regulations, guidelines 6. Monitoring and evaluation of effectiveness of new policies thru: (a) feedback solicitation; and (b) assessment of the impact/result of policy implementation thru interviews, surveys
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Stakeholders	
Strategic Objective	Quality of life of tobacco farmers improved
Strategic Initiative	BLOCK FARMING PROGRAM FOR TOBACCO AREAS
<p>Initiative Head/Champion OIC DAOP Dr. Giovanni B. Palabay and Branch Managers</p> <p>Project Objective and Description Block Farming, or the operational clustering of small tobacco farms, is the key strategy in the enhancement of production and farmers' yield. The consolidated farms are expected to become catalysts and engines for sustained and inclusive growth for the tobacco industry. The component projects of the block farm are tobacco and rice production, crop diversification which includes high-value commercial crops, livestock production (backyard or centrally managed), fuelwood program, farm mechanization, establishment of irrigation facilities and rural infrastructures such as small-scale irrigation systems, warehouse or storage facilities, processing center and cold-storage facilities, and tobacco farmers' training center, partnership with LGUs and private sector on market linkages, and capability training for farm management,</p>	

<p>youth farmers and cooperatives/association officers.</p> <p>The NTA will transform the traditional small-scale tobacco-rice farmers to become part of a larger commercial food system/network, thru:</p> <ul style="list-style-type: none"> • more efficient farm production and postharvest operations; • more efficient distribution of agricultural supplies, materials, and equipment • engagement in value-adding activities, i.e., processing and storage; and • more efficient marketing and distribution of farm commodities 	
Activities/Milestones	<ol style="list-style-type: none"> 1. Evaluation of the previous implementation of block farming thru reports from the operations, Focus Group Discussions (FGD) 2. Orientation of project implementers—extension workers, farmers/coop leaders 3. Distribution of Education, Information and Communication (EIC) materials on block farming 4. Submission of investment per block farms 5. Memorandum of Agreement: LGU-Coop-NTA Partnership 6. Provision of technical assistance for the block farms
Strategic Initiative	INTEGRATED FARMING AND OTHER INCOME-GENERATING ACTIVITIES PROJECT (IFOIGAP)
<p>Initiative Head/Champion</p> <p>OIC DAOP Dr. Giovanni B. Palabay Evangeline C. Cabigan, FTSD</p> <p>Project Objective and Description</p> <p>The program provides assistance to tobacco farmers in the production of rice, corn and other high-value crops, hog and poultry raising, beef cattle production, and tree seedlings production. The project includes value-adding/processing, where it operates the NTA Kadiwa ni Ani at Kita, a food processing and trading center in Ilocos Region.</p> <p>Among its objectives are increasing farmer’s productivity and profitability from tobacco production through the adoption of improved agronomic and curing practices and promoting a market-oriented approach in tobacco production through contract-growing scheme, and enhancing participation of the private sector in production technology transfer, credit assistance, and leaf marketing.</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Conduct of orientation trainings on updated technology on rice/corn production 2. Submission of consolidated farm plan and budget 3. Provision of production assistance on rice, corn,

	<p>beef cattle and other income-generating activities</p> <ol style="list-style-type: none"> 4. Implementation of projects 5. Marketing assistance 6. Accurate documentation of costs and returns on the activities
Strategic Initiative	MARKET-DRIVEN QUALITY TOBACCO PRODUCTION
<p>Initiative Head/Champion OIC DAOP Dr. Giovanni B. Palabay Evangeline C. Cabigan, FTSD</p> <p>Project Objective and Description The program addresses the growing demand for domestic manufacturing and export markets for quality tobacco by involving the tobacco buying firms, LGUs in the provision of production and facility assistance to tobacco farmers. It promotes market-oriented approach in tobacco production through contract growing system, and provision of curing barn assistance and farm mechanization support.</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Conduct of orientation trainings on updated technology on rice/corn production 2. Submission of consolidated farm and plan and budget 3. Provision of production assistance on rice, corn, beef cattle and other income-generating activities 4. Implementation of projects 5. Marketing assistance 6. Accurate documentation of costs and returns on the activities
Strategic Objective	Linkages with Tobacco Industry stakeholders expanded and strengthened
Strategic Initiative	NTA-LGU EXTENSION SERVICES PARTNERSHIP PROGRAM
<p>Initiative Head/Champion Administrator Belinda S. Sanchez OIC DAOP Dr. Giovanni B. Palabay</p> <p>Project Objective and Description This new program recognizes the leadership of the local government units, particularly in tobacco-growing regions, and their significant role in the sustainability of the tobacco industry. They will become strong partners of the</p>	

STEP in boosting the productivity of their farming communities and increase incomes of their local tobacco growers.

Objectives

1. To strengthen the role of the LGUs in the growth, development and sustainability of the tobacco industry
2. To institutionalize productive collaboration between NTA and tobacco-growing provinces/municipalities/cities in promoting the welfare of the tobacco growers and their communities

Essential components of the program is the engagement of local government officials for (1) counterpart funding for production and technical assistance in various programs and projects of NTA; and (2) institutionalization of partnership in the implementation of the Block Farming program in their respective areas, to attain economies of scale and cost-efficient operations, thus more profits and incomes to all players in the value chain.

Activities/Milestones	<ol style="list-style-type: none"> 1. Coordination with LGU units on existing block farms in tobacco-growing areas, one per Branch Office for the pilot year 2. Dialogs and consultations with LGU and tobacco farmers 3. Final meeting with chief local executives on area of collaboration 4. MOA signing 5. Project implementation 6. Monitoring and Evaluation
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Internal Process	
Strategic Objective	Research and development and technology transfer strengthened
Strategic Initiative	AGRICULTURAL RESEARCH DEVELOPMENT AND TECHNOLOGY TRANSFER PROGRAM
<p>Initiative Head/Champion Evangeline C. Cabigan, FTSD</p> <p>Project Objective and Description The project undertakes technology generation, verification, packaging and adoption, and the provision of assistance packages and delivery systems. It identifies and recommends mature technologies to other relevant units of the agency or other agencies, on any aspect of the technologies relating to the production and post-production of quality tobacco of all types. Mature technologies are the technologies that were developed by undergoing the</p>	

processes of research from generation to evaluation, verification and packaging, and are proven to benefit the intended end-users. The project shall provide the necessary assistance to enable tobacco farmers to adopt the prescribed production technologies for tobacco and other income-generating activities.

Further, it formulates plans and programs pertaining to extension concerns of the agency and establishes internal and external linkages related thereto.

Objectives:

FTDD

1. To produce/maintain at least 50 kilos of quality seeds for distribution to tobacco farmers and tobacco private companies of at least two recommended tobacco varieties per type and subtype
2. To conduct at least one research on cultural management and postharvest for quality tobacco production (including protocol research)
3. To maintain seed vigor of all tobacco accessions/varieties in the Seed Storage Laboratory
4. To conduct at least one research on postharvest management of all tobacco types including curing and postharvest facilities to further increase efficiency and utilization

TECHNOLOGY VERIFICATION AND TRANSFER (Techno-Demo)

1. To establish at least one or as the need arises techno-verification (TV) and techno-demonstration (TD) trials/farms in strategic area to verify the recommended output of research and other relevant units on a smaller scale
2. To coordinate the effective, systematic and efficient implementation of the techno/demo/verification project with at least 2 branch offices or locations
3. To determine the viability of the technology component tested to be incorporated in the package of technology for quality tobacco leaf production

PSSD

1. To pursue a systematic, economical, uniform and consistent Total Market Development program through Quality Tobacco production in all the tobacco-growing areas nationwide
2. To assist at least one farmers' coop/association in each Branch Office
3. To develop responsive livelihood assistance/service packages to increase the present level of productivity and income of the tobacco farmer
4. To document and monitor the best practices of 30% of NTA-financed TCGS farmer cooperators per tobacco type/sub-type especially outstanding tobacco farmers to recognize the effort of the tobacco farmers in the development of the tobacco industry
5. To encourage the farmers to adopt the recommended technologies for tobacco production

Activities/Milestones	<ol style="list-style-type: none"> 1. Genetic resource evaluation, conservation, utilization, and management 2. Varietal improvement program and selection
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	<ol style="list-style-type: none"> 3. Production of good quality seeds and planting materials 4. Cultural management practices 5. Crop production systems 6. Climate adaptation and mitigation initiatives 7. Post-production and engineering research 8. Protocol research 9. Digitization and analysis of data 10. Continuous education and training for leaders and members of associations/cooperatives, tobacco farmers, and their family 11. Recognition of outstanding tobacco grower 12. Restoration of ecological integrity 13. Preparation, consolidation, and maintenance of data
Strategic Initiative	INDUSTRIAL RESEARCH DEVELOPMENT AND TECHNOLOGY TRANSFER PROGRAM
<p>Initiative Head/Champion Myrna O. Lozano, IRD Juanito M. Maloom, Product Development Division - IRD</p> <p>Project Objective and Description To develop technologies that will benefit the tobacco farmers and other stakeholders of the industry</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Tobacco Handmade Paper (THP) and Novelty Items Production 2. Biopesticide Effects of Tobacco Leaf Extract on Rice Weevil 3. Tobacco R&D for Agro-Industrial Productivity 4. Utilization of tobacco midrib as soil conditioner 5. Registration, production, and market distribution of TLE-based products 6. Utilization of tobacco stalk flour for industrial uses
Strategic Initiative	QUALITY ASSURANCE AND ESTABLISHMENT OF TOBACCO STANDARDS PROGRAM
<p>Initiative Head/Champion Myrna O. Lozano, IRD Dina B. De la Reyna, Quality Assurance Division - IRD</p> <p>Project Objective and Description To develop standards that will benefit the tobacco farmers and other stake-</p>	

holders of the industry	
The standards will be used for the grading of tobacco leaves and for setting the limits of chemical components of tobacco products.	
Activities/Milestones	Continuing studies and establishing standards of quality for tobacco leaf and tobacco products 1. Annual Physical and Chemical Evaluation of Tobacco Products 2. Annual Physical and Chemical Evaluation of Philippine Grown and Imported Tobacco Leaves (Virginia, Burley, Cigar Filler and Oriental) 3. Evaluation of Harmonized Grading System for Virginia and Burley Tobacco 4. Capability Enhancement of NTA Extension Workers and Researchers
Strategic Objective	Effective enforcement of regulatory measures
Strategic Initiative	ENFORCEMENT OF RULES AND REGULATIONS ON LOCAL TRADING, EXPORT, IMPORT, TRANSSHIPMENT, MANUFACTURING AND HARMONIZED GRADING SYSTEM
<p>Initiative Head/Champion</p> <p>OIC DAOP Dr. Giovanni B. Palabay Atty. Rohbert A. Ambros, Regulation Department (RD)</p> <p>Project Objective and Description</p> <p>The project provides the systems and procedures in the implementation of Amended Rules and Regulations on the Exportation, Importation and Transshipment of Unmanufactured and Manufactured Tobacco</p> <p><i>Objectives:</i></p> <ol style="list-style-type: none"> 1. Implement effectively the amended rules and regulations, issued memoranda and circulars governing the exportation/importation/transshipment of unmanufactured and manufactured tobacco to minimize, if not, stop smuggling of tobacco products; 2. Monitor and supervise effectively and efficiently the amended rules and regulations thru the conduct of inspection; 3. Generate income through the collection of license, processing, regulation/supervision and inspection fees; 4. Duly license and accredit all exporters/importers/transshippers of tobacco leaf and tobacco products and other tobacco-related materials; 	

<ol style="list-style-type: none"> 5. Issue commodity clearances for all exportation, importation and transshipment of tobacco leaf, tobacco products and other related materials either manually/email/TradeNet; 6. Document accurately all exportation, importation and transshipment of tobacco leaf, tobacco products and other tobacco related materials; and 7. Train/Coach the RD Staff to become updated with NTA Rules and Regulations and apply them in the performance of their duties and responsibilities. 	
Activities/Milestones	<p>Establishment of linkages</p> <ol style="list-style-type: none"> 1. Prepare list of buyers/exporters/importers/ trans-shippers with address, contact numbers, and email address 2. Coordinate with other government agencies/LGUs on the systems/procedures and amended rules and regulations 3. Conduct consultation once a year or as the need arises like updating of rules and regulations <p>Formulation of rules and regulations</p> <ol style="list-style-type: none"> 1. Review existing tobacco rules and regulations on local trading, exports, imports, transshipments of unmanufactured and manufactured tobacco products and manufacturing 2. Prepare a draft list of provisions to be revised/amended, using as a basis, comments/ observations/experiences/reports of the past trading/export/import/transshipment operations. to make it responsive and effective 3. Review and make suggestions and comments to the proposed draft of amendments/revisions/MC 4. Finalize amendments/revisions/MC and forward the same to the Department Manager <p>Review and Presentation of draft rules and regulations</p> <ol style="list-style-type: none"> 1. Department/Branch Managers review the draft rules and regulations 2. Input all comments and suggestions as agreed by the Review Team (Department/Branch Managers) 3. Forward the draft rules and regulations to the Administrator 4. Present the draft rules and regulations to the Governing Board <p>Finalization and Approval</p> <ol style="list-style-type: none"> 1. Evaluate/Comment on the draft rules and

	<p>regulations</p> <ol style="list-style-type: none"> 2. Finalize 3. Reproduce copies of the amended rules and regulations/MC 4. Approval of rules and regulations
Strategic Initiative	TRIPARTITE CONSULTATIVE CONFERENCE ON TOBACCO FLOOR PRICES
<p>Initiative Head/Champion</p> <p>OIC DAOP Dr. Giovanni B. Palabay Atty. Rohbert A. Ambros, RD Evangeline C. Cabigan, FTSD Branch Managers</p> <p>Project Objective and Description</p> <ol style="list-style-type: none"> 1. Review the Cost of Production (COP) based on the current market prices of fertilizers, farm inputs, and other package of production; 2. Conduct consultation with tobacco farmers and tobacco buyers on the proposed floor price increase based on the reviewed COP; 3. Facilitate negotiation and signing of agreement on the final price increase; 4. Approve, publicize, and implement the agreed floor price increase. <p>The project is conducted once in every two years, and/or every year, if the need arises, which is usually held in September or November, to respond to the immediate needs of the industry, thru this process, the Agency can help uplift the economic framework of the tobacco industry and to improve the quality of life of all those who depend upon the industry as a source of livelihood, especially the tobacco farmers, and their dependents.</p> <p>The Price Stabilization Program, popularly known as the Tobacco Tripartite Consultative Conference, as one of its regulatory activities/programs of NTA, which by tradition, is an effective scheme of setting the farm-gate floor prices of the locally grown leaf tobacco, the only agricultural crop with floor prices.</p> <p>This program is more of a service-oriented activity of the NTA to its prime clients, the tobacco farmers and producers.</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Preliminary activities and finalization of program implementation (issuance of Special Orders, creation of working committees, etc.) 2. Pre-consultative conferences per Branch Office 3. Consultative Conference Proper, Presentation of Outputs, Negotiation and Signing of Agreement 4. Approval and publication of agreed increased floor price

	5. Implementation of New Floor Prices
Strategic Objective	Quality Management System institutionalized
Strategic Initiative	TOBACCO DATA DOCUMENTATION SYSTEM
<p>Initiative Head/Champion</p> <p>Administrator and CEO Belinda S. Sanchez OIC DAOP Dr. Giovanni B. Palabay National Technical Committee</p> <p>Project Objective and Description</p> <ol style="list-style-type: none"> 1. Enhance the existing documentation procedures for a more efficient monitoring and recording of tobacco acceptances vis-a-vis verification of area of production; 2. Improve the procedure in the validation and verification of areas with standing tobacco crops; 3. Adopt a documentation system of tobacco production with the use of Global Position Systems and other cloud-based analytical applications/solutions to ensure high accuracy estimation on the volume of tobacco production per barangay, municipality/province; 4. Acquire and consolidate data of tobacco production through joint survey and verification with the LGUs and transform the same into a database; 5. Disseminate and orient the TPROs and LGUs on the Joint DA-NTA Memorandum Circular (MC) No. 2020-1 dated 27 December 2021; and 6. Issue and submit an accurate and verifiable certificate of production per LGU. <p>This program/project is hereby promulgated to ensure the effective and efficient implementation in the documentation and reporting of tobacco acceptance and issuance of certificate of tobacco production pursuant to RA Nos. 7171 and 8240, amended by RA No. 10351, as implemented by DOF-BIR-DOH-DBM-DA Joint Circular No. 001-2014.</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Data acquisition and establishment of database 2. Orientation on the Joint DA NTA Memorandum Circular No. 2020-1 3. Implementation/Enforcement of JMC No. 2020-1 4. Consolidation and reconciliation of report of production and acceptances 5. Issuance and submission of Certificate of Tobacco Production to DA 6. Endorsement by DA of Certificate of Tobacco Production to DBM for the allocation of share of LGUs

Strategic Initiative	INFORMATION INTEGRATION AND MANAGEMENT PROGRAM
<p>Initiative Head/Champion Fortuna C. Benosa, Corporate Planning Department (CPD)</p> <p>Project Objective and Description</p> <p>The program envisions to develop or enhance the existing information systems and integrate the various databases among the departments or units. It aims to centralize the agency’s data, and its implementation will facilitate faster extraction and exchange of information among the agency's different units. The strategy to mitigate these challenges is to issue memoranda, policies, guidelines for the use of these information systems stating the importance of these in the overall efficiency and effectiveness in the agency operations.</p> <p>The Information Integration and Management Program is the MISD’s strategy to transition from stand-alone systems to cloud-based systems which will result in the harmonization of data that is being shared by the agency’s different units. By first establishing the primary data such as farmers’ master list and the employee’s data, the MISD plans to digitize all other related information or secondary data through systems development and conversion from hard copies and loose electronic files to a single set of cloud-based data.</p>	
Activities/Milestones	<p>Information Systems Developed enhanced</p> <ol style="list-style-type: none"> 1. Review ISSP and current IS’s developed and implemented. 2. Consultation with departments and Branch Offices 3. Prioritization of identified IS 4. Systems Analysis, Data gathering, programming, report generation, pilot testing, revisions, users’ training and deployment, monitoring. <p>No. of databases integrated</p> <ol style="list-style-type: none"> 1. Activities are directly related to the development of the IS.
Strategic Initiative	QUALITY MANAGEMENT SYSTEM
<p>Initiative Head/Champion Fortuna C. Benosa, CPD</p> <p>Project Objective and Description</p> <p>The program aims to strengthen the existing Quality Management System (QMS) of the NTA and facilitate the delivery of services within the agency and to its customers and clients.</p>	

Specifically, it targets to continue the certification of its core processes to ISO 2001:2015 and to expand the certification to its branch offices. The program will involve the review of its current QMS and its implementation. It will also include the possible streamlining of various processes through the review of the Manual of Operations to be initiated by the various departments and branch offices.	
Activities/Milestones	<p>ISO Certification</p> <ol style="list-style-type: none"> 1. Meet with Internal Quality Audit (IQA) and ISO core team to review current compliance of ISO process 2. Issue memoranda on observations on compliance to concerned units 3. Issue memoranda on review of Manual of Operations 4. Monitor compliance <p>ISO Certification of Branch Offices</p> <ol style="list-style-type: none"> 1. Meet with ISO core team to determine processes to be certified 2. Meet with Branch Offices 3. Review contract with 3rd party to conduct audit 4. Finalize documents necessary for the audit

Learning and Growth	
Strategic Objective	Competent and highly motivated employees
Strategic Initiative	CAREER DEVELOPMENT PROGRAM
<p>Initiative Head/Champion Zenaida T. Arrojo, Administrative Department</p> <p>Project Objective and Description</p> <p>The program aims to provide and maintain appropriate manpower resources in the organization. It provides environment for the effectiveness, efficiency and growth of its employees and motivating them to contribute effectively towards achieving the objectives of the organization. The management matches individual employee career plans with organizational needs. This includes career planning and career management.</p> <p>Career Development Program or Succession Planning can be in many forms, after assessing the employee’s competence, skills, and behavior via Training Needs Analysis, Individual Performance Commitment Rating and Observation. Immediate superiors can plan developmental intervention to prepare the employees for career advancement. It can be a step-ladder approach in developing</p>	

an employee towards a certain career path. This can also be done either via training, mentoring, coaching, job rotation, giving additional assignments, and shadowing.

Prospective employees for a certain position can be assessed or pre-qualify to determine who will be trained or developed. Those who passed the initial assessment can either be recommended for promotion or given additional assignment for further improvement.

Activities/Milestones

1. Identify employees who need training by matching current competencies with the requirement of the position
2. Prepare training plan for the year
3. Submit proposal for the 2023 Training Plan for approval and inclusion on the Budget

Strategic Initiative

COMPETENCY DEVELOPMENT PROGRAM

Initiative Head/Champion

Zenaida T. Arrojo, Administrative Department

Project Objective and Description

The program aims to calibrate and identify the competency gaps in employees, to include mid-level managers/supervisors and improve the competency levels by addressing individual gaps. It also aims to equip them with techniques and methods to bridge competency gaps.

Competency-based assessment is an approach to evaluating an individual’s knowledge, skills and abilities based on specific competencies or job requirements. It focuses on measuring an individual’s ability to perform a task or function and their potential for success in a particular role. The adoption of Competency Based System into the Human Resource (HR) system, as part of the Strategic HR, responds to the call for Performance Excellence and aligned with the Agency’s mission, vision, and strategic goals.

The Competency Development Program includes the integration of CSC-approved Competency-Based Framework to all HR processes such as Recruitment Selection and Placement, Learning and Development, Rewards and Recognition and Performance Management. Conduct of a Competency-Based Position Description Training Needs Analysis, wherein at the end of the calendar year, the required competencies for each incumbent are being assessed in relation to the required competencies per position. Based on the results, as part of the Learning and Development Core Functions, various trainings will be recommended to address the competency gaps.

Activities/Milestones	<ol style="list-style-type: none"> 1. Review and assess Strategic Performance Management per Succession Planning 2. Target the right employees for the specific goals (SG 18 & above) 3. Assess for gaps using Competency-Based Training Needs Analysis (TNA) 4. Match results with the desired or required Competency per Position 5. Consolidate TNA Results with corresponding training intervention 6. Line up prelisted participant to the training to help address the competency or skill gaps 7. Create a concrete plan for skills development 8. Assess progress thru the standardized Post-Training Effectiveness Assessment form, to be submitted one month after the training, as part of the progress assessment, and feedback for their superiors and Individual Performance Commitment Ratings (IPCRs), as basis for improvement
Strategic Initiative	EMPLOYEE MOTIVATION PROGRAM
<p>Initiative Head/Champion Zenaida T. Arrojo, Administrative Department</p> <p>Project Objective and Description The purpose of motivation is to create condition in which people are willing to work with zeal, initiative, interest, and enthusiasm, with a high personal and group moral satisfaction with a sense of responsibility, and to increase loyalty to the organization. This includes giving of awards as stipulated in the agency's Performance Incentive and Honor awards (PRAISE).</p>	
Activities/Milestones	<ol style="list-style-type: none"> 1. Conduct an evaluation assessment on the frequency of tardiness and undertimes of employees 2. Allow them to undergo training to enhance their professional skills and knowledge 3. To grant employee awards under PRAISE every Agency's anniversary date.
Strategic Objective	Responsive organizational structure
Strategic Initiative	ORGANIZATION/RESTRUCTURING PROGRAM

Initiative Head/Champion

Administrator and CEO Belinda S. Sanchez
 OIC DAOP Dr. Giovanni B. Palabay
 DASS Benedicto M. Savellano

Project Objective and Description

The GCG issued MC no. 2015-04 providing the guidelines on the reorganization, rationalization and personnel planning in the GOCC sector. By virtue of Board Resolution No. 1088-2019, the Board has determined that the NTA needs to undergo reorganization due to policy shifts of operational focus which were identified, to wit:

1. Increasing challenges of global competitiveness of locally produced leaf tobacco and tobacco products;
2. Adoption of Total Farmer-Total Market Development Concept to ensure market-driven quality tobacco production thereby addressing local demand of tobacco leaves;
3. Adoption of an inclusive, income-enhancing Tobacco Industry Roadmap;
4. Capability building of the Industrial Research Department;
5. Enhancement of programs on alternative livelihood, integrated farming and continuing research and development on other uses of tobacco.

With these, an organization restructuring is imperative to address the complement the existing plantilla positions that will carry out the agency’s strategic goals. Among the program’s components are the following:

1. Creation of a CMT to lead the activities guided by the GCG MC 2015-04;
2. Participation of all department/division heads in the review of functional responsibilities and provide justification for the creation of new units;
3. Hiring of a third party to undertake Current State Assessment (CSA) and Workforce Analysis Planning (WAP);
4. Periodic reporting of the Administrator to the Board on the progress of the CMT activities
5. Presentation and approval of the Reorganization/Restructuring Plan by the Governing Board;
6. Submission of the Plan to GCG and CSC for evaluation and approval.

Activities/Milestones

1. Issuance of Board Resolution to provide the Governance Structure in the conduct of reorganization and commencement of the activities
2. Creation of a CMT to lead the crafting of the Reorganization Plan
3. Conduct of series of meetings of the CMT to perform the step-by-step process of

	<p>reorganization including consultations to all units of the agency</p> <ol style="list-style-type: none"> 4. Department/Branch review of their functions, consult their personnel, and submit proposals for the creation of additional units including justifications 5. Call for proposals to conduct CSA and WAP and provide necessary data/information and conduct of meetings 6. Hiring of third party to conduct CSA and WAP 7. Conduct of CSA and WAP (trainings, consultations, gathering of data, report preparation) 8. Conduct Cost-Benefit Analysis of the Reorganization to be led by the CMT 9. Formulation of a Design Framework 10. Develop a proposed Organizational Structure and Staffing Pattern (OSSP) 11. Conduct of Career Leveling 12. Develop a proposed Branch Model 13. Formulate a Strategic Action Plan 14. Consolidation/Finalization of all outputs by the CMT 15. Presentation and approval of the Governing Board 16. Endorsement of the Reorganization/Restructuring Plan (RP) by the DA 17. Submission of the RP to the GCG for evaluation and approval 18. Submission of the RP and plantilla to CSC for evaluation and approval
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Financial Stewardship	
Strategic Objective	Financial stability and viability sustained
Strategic Initiative	BUDGET MONITORING AND REPORTING SYSTEM
<p>Initiative Head/Champion Reynaldo R. Aquino, Finance Department</p>	

Project Objective and Description

General Objective: Institutionalization of Reporting System to monitor utilization of budget

Specific Objectives:

- To ensure proper utilization of requested funds
- To ensure availability of funds for the project
- To determine unused subsidy
- To ensure compliance to project guidelines
- To ensure proper implementation of the projects

Its features include monitoring of budget allocation and utilization of requested funds of various branches and units; monitoring of office expense through real-time information with dynamic dashboard; and real-time monitoring of project implementations and financial accomplishments.

Activities/Milestones

Development of Project and Budget Monitoring and Reporting System (with CPD)

1. Introduction/preparation of request by proponent/user/department/unit for Information System (IS) development/ enhancement
2. Conduct of Systems Analysis
3. Programming/Coding
4. Testing/Dry-run
5. IS Modification Revisions

Deployment

1. Conduct of Users Training
2. Deployment of IS

IS Review/enhancement (annual)

Implementation of the IS by the Branch Offices and Finance Department.

Monitoring/generation of reports by Finance and other units of the agency.

Reports generated will be used in planning/budgeting for the agency projects and preparation of the Corporate Operating Budget (COB) and submission of reports to other agencies.

Strategic Initiatives	COMMUNICATION SUPPORT PROGRAM
<p>Initiative Head/Champion</p> <p>Freddie G. Lazaro, Public Relations Officer V</p> <p>Project Objective and Description</p> <p>The Communications Support Program aims to: (1) ensure the efficient and effective conveying of pertinent information on agency programs, projects and activities to its stakeholders by adopting various communications platforms and strategies through various components of public relations; to promote the NTA as a primary government agency that champions the interests of the tobacco farmers; and (2) strengthen communication/information capability to effectively bring relevant, accurate and timely key messages to the target audiences; and to ensure better public understanding on the socioeconomic significance of the tobacco industry and the agency’s programs, projects and activities.</p> <p>Its components are:</p> <ol style="list-style-type: none"> 1. Information, Education, and Communications (IEC) support – which includes publications of the regular quarterly newsletter, the techno-guide manual and calendar, and special publications; radio program; video production; website and social media administration; and photo coverage 2. IEC production – which includes press and photo releases concerning the programs, activities, projects of the agency 3. Networking, Capability Building, and Media Relations 	
<p>Activities/Milestones</p>	<p><i>Information, Education, and Communications support program</i></p> <ol style="list-style-type: none"> 1. Radio Program 2. Printing: <i>The Philippine Tobacco News</i> 3. Production/Printing Special Publications: (a) Tobacco Production Manual (b) Techno-Calendar 4. Documentary Productions (AVP for Operations and Projects and Tobacco Technology Production and Practices) 5. Photo-video coverage of activities. 6. News Monitoring/Information 7. Quick Response on Issues and Concerns 8. Website and FB pages administration 9. Press Conference/Interviews <p><i>IEC Production</i></p> <ol style="list-style-type: none"> 1. Press/photo releases <p><i>Networking, Capability Building, and Media Relations</i></p> <ol style="list-style-type: none"> 1. Communications Training 2. Training on video editing 3. Media Appreciation Tour on Tobacco Plantations

ACHIEVING OUR GOALS

The six-point agenda enhances government efforts to ensure sustainability of the tobacco industry, one of the strongest pillars of the country's economy, in support of the overall goals of the administration of President Ferdinand Marcos Jr. to reinvigorate job creation, food security program, and poverty reduction. It ultimately develops a responsive government agency that addresses the issues affecting productivity and income of tobacco growers. It prioritizes the linkages between tobacco production and other sectors to enable the re-orientation of the industry to meet its primary mandates of improving the economic and living conditions of the farmers and other stakeholders and help make agriculture a solid base for industrialization.⁴

STEP-UP AGENDA

“Pagpapalakas at Pagpapatuloy ng Serbisyo para sa Masaganang Agrikultura, Maunlad na Ekonomiya”

Policy Framework: *Ambisyon Natin 2040, Sustainable Development Goals (SDGs) 2030, 8-Point Economic Agenda*

Strategic Plans: *DA Multi-Year Plan 2023-2028, Sustainable Tobacco Enhancement Program*

S

Sustainable local production

- Increasing productivity and income are essential conditions for the sustainability of tobacco.
- Tobacco industry spurs development in the tobacco-growing areas; hence, it must be protected and developed.
- Strong tobacco industry to become next exporter of tobacco – meet the demands of local manufacturing of quality tobacco thereby reducing importation and becoming a net exporter in the long-term.

Initiatives: Integrated Farming and Other Income-Generating Projects
Market-Driven Quality Tobacco Production
Policy Review and Development Program
Tripartite Consultative Conference on Tobacco Floor Prices
Quality Management System

T

Transforming small-scale farming into a larger commercial food system

Full implementation of *Block Farming / Farm Clustering* as an essential core of the livelihood system of the smallholder farmers.

Initiative: Block Farming Program for Tobacco Areas

E

Enhanced productivity and income-generating activities

- Sustainable agricultural infrastructure to facilitate production and trading of tobacco and other crops

⁴ The STEP-UP agenda was presented by Administrator and CEO Belinda S. Sanchez during the first day of the strategic planning workshop (February 1) in Tagaytay City.

P

- Attracting young people to engage in agri-production and agri-business activities.
- Initiative:** NTA-LGU Extension Services Partnership Program

Partnership with key stakeholders to sustain inclusive and resilient growth

- Partnership to local government units to ensure delivery of services to tobacco growers.
- Cooperative efforts with the LGU partners to sustain inclusive and resilient growth of the industry – infrastructure and facilities for quality production, processing and marketing.

Initiatives: NTA-LGU Extension Services Partnership Program
Tobacco Data Documentation System

U

Upgrading farm technology, infrastructure and research facilities

- Breakthrough technologies must be consciously applied to enhance tobacco production, ensure efficient use of water and land, and improve seed quality
- Adoption of digital technologies is vital in agriculture.

Initiatives: Agricultural Research and Development and Technology Transfer Program
Industrial Research Quality Assurance and Establishment of Tobacco Standards
Industrial Research Technology Transfer Program
Information Integration and Management Program
Budget Monitoring and Reporting System

P

Priority programs to promote welfare of employees

Creating a strong workforce that will drive growth and prosperity across all sectors of the industry.

Initiatives: Career Development Program
Competency Development Program
Employee Motivation Program
Organizational Structuring Program

Priority Areas

Boosting local production	Expanded TCGS (Tobacco Contract Growing System) Block farming program Integrated Farming and Other Income-Generating Activities (IFOIGAP) Project
Reducing production cost	Technology, facility and production assistance Research and Development
Ensuring availability of safe and nutritious food	NTA Kadiwa ni Ani at Kita projects Gulayan at Manukan sa Barangay Beef Cattle Production Assistance Program
Raising farmers' income	Livelihood Programs Agribusiness Programs
Modernizing agriculture	Upgrading laboratories and research facilities Farm modernization program Climate change and disaster risk reduction program Digital Agriculture

PLAN IMPLEMENTATION

The **NTA Strategic Plan 2023-2028** serves as a guidepost to align the programs, projects and activities of all departments, branch offices and units of the agency. All financial and human resource requirements, efficient and effective business processes and policies, and processes for tracking and assessing performance must be ensured to successfully implement the Plan. The Balanced Scorecard will provide guidance and direction in specifying annual targets and budget for each year.

All personnel from every level within the organization should be able to contribute to the identified outcomes, outputs and strategic initiatives as laid out in the Plan.

The Top Management shall provide leadership in setting directions for operations and support services. The Corporate Planning Department (CPD) shall lead the conduct of cascading and annual planning activities with the departments and branch offices.

The Public Relations unit of the Office of the Administrator shall spearhead the development of a Communication Plan to support the Plan implementation.

The Office of the Deputy Administrator for Operations and CPD shall coordinate with all departments and branch offices to ensure that the commitments are incorporated in the annual budget proposals and work and financial plans.

All Strategic Initiative heads/champions together with the responsible offices shall take the lead in formulating the Strategic Initiative Profiles and implementing the critical activities under each of the identified strategic initiatives.

A series of orientations/workshops will be conducted to develop programs and projects that will be implemented by NTA, with focus on increasing quality yields, reducing productions cost, enhancing stakeholder engagement, and increasing income through tobacco production and other income-generating activities.

In addition, the Change Management Team will be re-constituted and have its past activities and inputs reviewed in accordance with the manpower requirement of the strategic initiatives.

MONITORING AND EVALUATION

NTA will develop a monitoring, review and evaluation plan in line with the Balanced Scorecard. The CPD shall lead in the monitoring and evaluation of the NTA Strategic Plan 2023-2028.

Data collection and monitoring will be undertaken jointly with the Management Information System Division (MISD) of CPD and the FTSD.

The key deliverables or outputs shall be tracked using the existing monitoring scheme such as the Office Performance Commitment and Review (OPCR), Individual Performance Commitment and Review (IPCR), and Operations Report. The institutionalization of the Project Monitoring and Evaluation Unit also enables the agency to conduct a more convenient and faster way to monitor the key outputs per program and office.

Discussions will be organized to communicate with all project implementers or initiative champions regarding results and challenges in activity implementation, to address issues and to take any necessary corrective actions. Overall Assessment Reports shall be prepared by CPD to present organization-wide performance relative to the agency's key performance indicators and strategic initiatives.

It is expected that performance along the implementation of the Strategic Plan will be discussed in the Management Review. The findings shall be used as basis for adjusting strategies and performance targets at the midterm and for the next planning period.

Outcome and impact evaluation studies shall be conducted to determine the intermediate and long-term effects of the programs and services on clients and stakeholders. The results of the studies shall be presented during planning workshops or mid-year reviews involving the Top Management. This will serve as an avenue for the management to discuss the agency's achievements, milestones, challenges encountered, and required improvements for more effective and efficient implementation of programs, activities and projects.



RISK MANAGEMENT

Risks are regularly assessed, evaluated and mitigated to the extent possible, based on the probability of their occurrence.

Implementation of the strategic plan also calls for the assessment and treatment of scenarios and events that are beyond the control of the organization and may affect, both positively and negatively, the attainment of strategic objectives. Likelihood (chance of something happening) and Severity (impact) of these uncertainties were analyzed to determine risk level. Possible treatments for high risk scenarios and above were prioritized and identified to respond and support the achievement of strategic objectives.


NTA shall continue the adoption of the NTA Integrated Risk Management Guidelines (IRMG)⁵ to cope with industry-wide risks that may affect the objectives laid out in the Strategic Plan. The management shall enforce the efficient implementation of risk management throughout the organization by ensuring that risk management processes are embedded in planning and other decision-making processes. All Departments and Branch Offices shall also apply principles of risk management in their operations in accordance with the IRMG.

⁵ Approved by the NTA Governing Board on January 30, 2018.



ANNEXES

ANNEX 1 RISK REGISTRY

	NATIONAL TOBACCO ADMINISTRATION RISK MANAGEMENT SYSTEM		Form No: RM Form 2
	RISK ASSESSMENT (IDENTIFICATION AND ANALYSIS)		Revision No: 01
			Effectivity: Feb.2023


STRATEGIC OBJECTIVES	Risk Identification		Present Control Mechanism	LIKELIHOOD (L)					SEVERITY (S)					Risk Evaluation	
				Source	Risk Consequence	Frequency (50%)	Vulnerability (50%)	Likelihood Value	Financial (25%)	Operational Capability (25%)	Customer Satisfaction (25%)	Reputational (25%)	Severity Value	Risk Value (LxS)	Risk Level (Extreme/H/M/L)
SO1. Viable tobacco industry sustained	Undocumented importation/exportation of tobacco leaf and tobacco products	Decrease in local production, revenues	Existing import/export rules and regulations	5	2	3.50	5	1	1	1	2.25	7.88	M		
	Climate change, ecological disturbance	Damage on tobacco crop, affecting yield and quality of tobacco, and farmers' income	Availability of risk management fund, provision of biostimulants for the recovery of crops affected by weather disturbances; Existing research on climate adaptation and mitigation initiatives; RSBSA registration	5	2	3.5	5	2	3	3	3.00	10.50	H		
	Campaign, programs and policies against smoking and tobacco; public misconception on tobacco production	Decrease in demand for tobacco leaf/products, resulting in decrease in production	Information dissemination on NTA programs, projects and activities for the benefit of the farmers	5	2	3.5	3	3	2	3	2.75	9.63	H		
	Decrease in market demand for tobacco	Reduced areas of tobacco production	Continuous market research and quality assurance	5	2	3.5	1	2	1	2	1.50	5.25	M		
STAKEHOLDERS PERSPECTIVE															
SO2. Quality of life of tobacco farmers improved	High cost of production inputs	Decrease in income of tobacco farmers, may result in shift to other crops, thereby decreasing production area	LGU support to their local tobacco growers; Existing alternative/organic fertilizers	5	4	4.5	5	3	3	3	3.50	15.75	H		
SO3. Linkages with tobacco industry stakeholders expanded and strengthened	Low LGU engagement on quality tobacco production	Limited coverage of beneficiaries	Consultations with LGUs on NTA programs, projects	5	3	4.0	1	3	2	2	2.00	8.00	M		

STRATEGIC OBJECTIVES	Risk Identification		Present Control Mechanism	Risk Analysis						Risk Evaluation			
	Source	Risk Consequence		LIKELIHOOD (L)			SEVERITY (S)			Risk Value (LxS)	Risk Level (Extreme/H/M/L)		
				Frequency (50%)	Vulnerability (50%)	Likelihood Value	Financial (25%)	Operational Capability (25%)	Customer Satisfaction (25%)			Reputational (25%)	Severity Value
INTERNAL PROCESS PERSPECTIVE													
SO4. Research and development and technology transfer strengthened	Nonacceptance of POT/ research results by stakeholders	Low morale of the researchers; loss of resources	Consultations with private sector through Techno-updating	3	3	3.0	3	3	3	3	3	3.00	M
SO5. Effective enforcement of regulatory services	Partial adoption of the harmonized grading system	Confusion in the implementation of grading system	Involvement of private sector and farmers in the training of leaf grading; Conduct of Tripartite Consultative Conference	5	3	4.0	1	3	4	3	3	2.75	H
SO6. Quality Management System institutionalized	Partial/Noncompliance of existing guidelines and policies, rules and regulations	Low performance/achievement rating	Existing monitoring and evaluation forms	5	3	4	1	4	3	4	3	3.00	H
LEARNING AND GROWTH PERSPECTIVE													
SO7. Competent and highly motivated employees	Lack of technical personnel to handle specialized projects/programs	Nonattainment of targets	Training Needs Assessment (TNA), Capability building program, coaching and mentoring	5	3	4.0	1	3	3	3	3	2.50	H
SO8. Responsive organizational structure	Irregular implementation of the employee award system	Low motivation of employees	Presence of PRAISE system	5	3	4.0	1	4	2	1	2	2.00	M
	Number of plantilla positions not enough to handle services and operations	Limited capacity to implement more programs and projects; delay or nonimplementation of programs and projects	Existing Change Management Team (CMT) with initial inputs for strengthening manpower	5	4	4.5	1	3	3	2	3	2.25	H
FINANCIAL STEWARDSHIP PERSPECTIVE													
SO9. Financial stability and viability sustained	Low income-generation	Nonattainment of financial self-sufficiency and continuous dependency on government subsidy	Collection of regulatory fees and service fees; Existing income-generating projects	5	4	4.5	5	4	4	4	4	4.00	E

	NATIONAL TOBACCO ADMINISTRATION RISK MANAGEMENT SYSTEM		RISK TREATMENT PLAN (as of June 2023)		RM Form 3	
					Form No.: Revision No.: Effectivity:	01 Feb. 2023

Event Code	Risk Source	Risk/Consequence	Risk Value	Risk Level	Present Control Mechanism	Proposed Risk Treatment and Control Mechanism (Action plan to further reduce the risk/consequence)	Required Resources to Implement the Proposed Risk Treatment and Control Mechanism (Identify in terms of policy, materials, machine, human resource, process improvement, etc.)	Target Implementation Date
SOCIO-ECONOMIC IMPACT PERSPECTIVE								
SO1. Viable tobacco industry sustained	Undocumented importation/exportation of tobacco leaf and tobacco products	Decrease in local production, revenues	7.88	M	Existing import/export rules and regulations	Information dissemination campaign and close coordination with industry stakeholders, law enforcement agencies in their efforts to curb smuggling	Coordination: Regulation Dept and PR unit on info dissemination	Continuing
	Climate change, ecological disturbance	Damage on tobacco crop, affecting yield and quality of tobacco, and farmers' income	10.5	H	Availability of risk management fund, provision of biostimulants for the recovery of crops affected by weather disturbances; Existing research on climate adaptation and mitigation initiatives; RSBSA registration	Evaluate present planting calendar; Include risk reduction and management in planning for projects and farm activities	Quick Response Fund / Calamity Fund / Coordination: Operations and PR unit	Continuing
	Campaign, programs and policies against smoking and tobacco; public misconception on tobacco production	Decrease in demand for tobacco leaf/products, resulting in decrease in production	9.63	H	Information dissemination on NTA programs, projects and activities for the benefit of the farmers	Intensify information campaign, expand to other stakeholders/partners by focusing on the other benefits of tobacco production; Preparation of brochures on other uses of tobacco; info cards on social media and video presentation	Coordination: Operations and PR unit / Techno-Guide Materials	Continuing
	Decrease in market demand for tobacco	Reduced areas of tobacco production	5.25	M	Continuous market research and quality assurance	Continuous campaign on area expansion	Coordination: Operations, Regulation, Marketing Research Division and PR unit	Continuing
STAKEHOLDERS PERSPECTIVE								
SO2. Quality of life of tobacco farmers improved	High cost of production inputs	Decrease in income of tobacco farmers, may result in shift to other crops, thereby decreasing production area	15.75	H	LGU support to their local tobacco growers; Existing alternative/organic fertilizers	Formulate POT as part of rules and regulations; Incorporation of countering arrangements/convergence of LGUs for NTA programs, projects, and activities	Techno-guide materials / Revised Trading Rules and Regulations / MOA with LGU on PAFs convergence initiatives	Continuing
SO3. Linkages with tobacco industry stakeholders expanded and strengthened	Low LGU engagement on quality tobacco production	Limited coverage of beneficiaries	8	M	Consultations with LGUs on NTA programs, projects	Intensify consultations with LGUs to support block farming program to include countering arrangements/ convergence of farmers for production assistance, agribusiness opportunities	MOA with LGU on PAFs convergence initiatives	2nd sem 2023

Event Code	Risk Source	Risk/Consequence	Risk Value	Risk Level	Present Control Mechanism	Proposed Risk Treatment and Control Mechanism (Action plan to further reduce the risk/consequence)	Required Resources to Implement the Proposed Risk Treatment and Control Mechanism (Identify in terms of policy, materials, machine, human resource, process improvement, etc.)	Target Implementation Date
INTERNAL PROCESS PERSPECTIVE								
SO4. Research and development and technology transfer strengthened	Nonacceptance of POT/ research results by stakeholders	Low morale of the researchers; loss of resources	9	M	Consultations with private sector through Techno-updating	Formulation of research and development agenda with focus on relevant studies that effect increase in productivity and income of farmers	Formulation of Research and Development Agenda	Continuing
SO5. Effective enforcement of regulatory services	Partial adoption of the harmonized grading system	Confusion in the implementation of grading system	11	H	Involvement of private sector and farmers in the training of leaf grading; Conduct of Inpartite Consultative Conference	Continuous consultation with buyers for the review/revision and full adoption of the harmonized grading system. To include sanctions for non-adoption; Establishment of Tobacco Grading and Research Institute to strengthen NIAs role on the enforcement of policies on leaf grading	Coordination; Operations, IRD, Regulations and traders / Proposed Budget of Tobacco Grading and Research Institute	Continuing
SO6. Quality Management System institutionalized	Partial/Noncompliance of existing guidelines and policies, rules and regulations	Low performance/ accomplishment rating	12	H	Existing monitoring and evaluation forms	Strengthen monitoring and evaluation at all levels of project implementation; Periodic review of project guidelines; regular updating of database/ information system	Monitoring and Evaluation Plan	2nd sem 2023
LEARNING AND GROWTH PERSPECTIVE								
SO7. Competent and highly motivated employees	Insufficient number of technical personnel to handle specialized projects/programs	Nonattainment of targets	10	H	Training Needs Assessment (TNA), Capability building program, coaching and mentoring	Implementation of Performance Evaluation System (SPMS/Work Motivation and Productivity Indices); Training Needs Assessment	Revised SPMS	2nd sem 2024
SO8. Responsive organizational structure	Nonimplementation of the employee award system Inadequate number of plantilla positions	Low motivation of employees Limited capacity to implement more programs and projects; delay or nonimplementation of programs and projects	8 10,13	M H	Presence of PRAISE system Existing Change Management Team (CMT) with initial inputs for strengthening manpower	Yearly implementation of awards system Re-convene the CMT to review past activities and plan for the next steps for implementation; conduct of CSA	Revised guidelines on PRAISE awards Budget for CSA	1st sem 2024 2nd sem 2024
FINANCIAL STEWARDSHIP PERSPECTIVE								
SO9. Financial stability and viability sustained	Low income-generation	Nonattainment of financial self-sufficiency and continuous dependency on government subsidy	18	E	Collection of regulatory fees and service fees; Existing income-generating projects	Expand income-generating activities; increase regulatory fees	Coordination; Finance, Regulation and Operations	Continuing

	NATIONAL TOBACCO ADMINISTRATION RISK MANAGEMENT SYSTEM		Form No: Revision No.: Effectivity:	RM Form 2 01 Feb. 2023
	OPPORTUNITY ENHANCEMENT PLAN			

EXTERNAL OPPORTUNITIES	Opportunity Scenario	Potential Benefits	Opportunity Enhancement Action Plan	Budget and Resources Needed	Time Frame	Responsible Person/Unit
1. Supportive LGUs, national agencies/partners	Tobacco-growing LGUs are beneficiary of the share of the tobacco excise tax per RAs 7171 and 8240. LGUs have been utilizing the fund in the provision of production/financial assistance to the local tobacco growers.	LGUs can be tap as partners in the implementation of the NTAs flagship projects such as the Tobacco Contract Growing System thru the provision of production, technology and marketing assistance	Intensify consultations with LGUs to support block farming program to include counterparting arrangements/ convergence of farmers for production assistance, agribusiness opportunities	2 M	2023-2023	Operations
2. Tobacco market viability/sustainability	The tobacco is a major agricultural commodity categorized by DA under High-Value Crops. There is an increasing demand of quality tobacco in the global market. Local buying firms have consistent high purchase commitment which serves as basis for the expansion of tobacco areas.	Tobacco industry is always included in the development plan for agriculture Ready market for tobacco production, and potential expansion of areas, thus more opportunities for farmers to earn more	Market development and trade promotions	4.6 M	2023	IRD-MRDD
3. Recognition of NTA regulatory functions by the private sector	Leaf buyers comply with the tobacco floor prices set by the NTA during the bi-annual Tripartite Consultative Conference, and the harmonized grading system by the NTA as basis for classification, grading and pricing of tobacco.	Smooth trading operations through cooperations of buyers and the tobacco growers	Full implementation of the Block Farming to achieve economies of scale	8 M	2023	Operations
4. Availability of information/communication technology updates	The agency has established information system to handle the application and updates on technology.	Updated and accessible information for the farmers and other stakeholders	Continuous consultation with buyers for the review/revision and full adoption of the harmonized grading system	1 M	2023	Regulation
5. Availability of RA 4155 funds for the establishment of Tobacco Grading Institute and implementation of STEP	Since 2006, the Tobacco Fund has been the source of the agency's annual budgetary allocation under the General Appropriations Act (GAA). The Tobacco Fund has a net balance of Pn92.3 billion in 2022.	Available source of NTA for its big ticket projects and investments	Formulation of farmers masterlist information system	1 M	2023	CorPlan - MIS
6. Strategic locations of universities for younger staff to pursue higher education	Staff from the branch offices may enroll in masteral degrees in universities near their offices.	Enhanced manpower capabilities	Capability Training for the establishment of Tobacco Grading and Research Institute to strengthen NTA's role on the enforcement of policies on leaf grading	800,000	2024	Administrative Dept / IRD-QAD
			Scholarship program for qualified NTA staff who pursue higher education	200,000	2024	Administrative Dept

ANNEX 2 SWOT ANALYSIS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
1. Strong leadership and management support	1. Limited budget for project expansion and implementation of the five-year development roadmap	1. Supportive LGUs, national agencies	1. Campaigns, programs and policies against smoking and tobacco / public misconception
2. Efficient management of financial resources	2. Inadequate number of plantilla positions	2. Tobacco market viability / sustainability	2. Smuggling of tobacco leaf/products
3. Availability of technically competent and committed staff	3. Weak implementation and enforcement of policies	3. Recognition of NTA regulatory function by private sector	3. Unwillingness of buying sector to implement harmonized grading
4. Presence of research and development resources	4. Poor accessibility to areas that hinders delivery of services	4. Availability of information/ communication technology updates	4. Climate change, ecological disturbance
5. Availability of programs, policies responsive to the needs of farmers/ stakeholders		5. Availability of RA 4155 fund for the establishment of Tobacco Grading Institute and implementation of STEP	5. High cost of production inputs
		6. Strategic locations of universities for younger staff to pursue higher education	

STRATEGIES

STRENGTH	WEAKNESSES	OPPORTUNITIES	THREATS
S1,O1 - Engage LGUs into partnership in the implementation of key PAPs	W1,O1 - Engage LGUs into partnership in the implementation of key PAPs	S1,T5 - Engage LGUs in the provision of financial assistance to farmers	W3,T2 - Seek cooperation with other regulatory agencies
S1, S2,O4 - Invest in ICT to upgrade database and communication system	W1,O5 - Seek legislative/executive support for additional funding	S2,T4 - Increase budget on renewable fuelwood project	W1,T4 - Seek legislative/ executive support for additional funding on DRRM-related projects
S2,S4,O2 - Invest on market research and agri-industrial research for other commercial uses of tobacco	W3,O1 - Enhance monitoring and evaluation on the implementation and enforcement of policies	S4,T4, T5 - Enhance research on climate-resilient variety, balanced fertilization	
S5,O5,O3 - Focus on the establishment of Tobacco Grading Institute and the implementation of block farming		S4,T2 - Enhance cooperation with BOC, Congress, NBI against illicit trade	
S4,O6 - Invest in capability training of manpower		S2,T1 - Enhance information dissemination on the socio-economic benefits of tobacco industry	
S3,S5,O5 - Full implementation of block farming as key strategy in STEP		T1, S3, S4 - Invest in studies on the alternative uses of tobacco	

ANNEX 3

Strategic Planning Workshop LIST OF PARTICIPANTS*

Name	Position
Belinda S. Sanchez	Administrator and CEO
Benjamin V. Sarmiento	Executive Secretary & Special Assistant to the Administrator
Giovanni B. Palabay, Ph.D	OIC, Deputy Administrator for Operations
Dinah E. Pichay	OIC, Deputy Administrator for Support Services
Nestor C. Casela	Director, NTA Governing Board
Jessie Pat M. Serna	Director, NTA Governing Board
Teofilo R. Quintal	Director, NTA Governing Board
Danilo C. Trongco	Director, NTA Governing Board
Wilfredo C. Martinez	Director, NTA Governing Board
Minerva P. Mizal	Management Consultant
Atty. Jun Fred V. Parado	Attorney V, OAD
Freddie G. Lazaro	Public Relations Officer V, OAD
Reynaldo R. Aquino	OIC, Internal Audit Department
Fortuna C. Benosa	Department Manager III, Corporate Planning Department
Atty. Rohbert A. Ambros	Department Manager III, Regulation Department
Zenaida T. Arrojo	Department Manager III, Administrative Department
Myrna O. Lozano	Department Manager III, Industrial Research Department
Milagros C. Tiu	OIC, Finance Department
Evangeline C. Cabigan	OIC, Farm Technology and Services Department
Engr. Randy I. Abella	OIC, Ilocos Norte Branch Office
Engr. Noralyn I. Idica	Department Manager III, Vigan Branch
Adonis D. Lazo	OIC, Candon Branch Office
Romeo Y. Paculdo	OIC, Abra Branch Office
Engr. Roger T. Madriaga	Department Manager III, Pangasinan Branch Office
Joefrey T. Bautista	Department Manager III, Isabela Branch Office
Gilbert A. Taguiam	Department Manager III, Cagayan Branch Office
Engr. Christopher R. Supang	OIC, Tobacco Dust Processing Plant
Resty C. Cambe	Internal Auditor V, Operations Audit Division
Neyo E. Valdez	Division Chief III, Planning, Programming & Evaluation Division
Arnold B. Melosantos	OIC, Management Information System Division
Engr. Alex L. Borje	Chief TPRO, Tobacco Leaf Regulation Division
Eleanor A. Rapanut	Chief TPRO, Tobacco Products Regulation Division
Ophelia T. Gonzales	OIC, Administrative Services Division
Dina B. Dela Reyna	Chief SRS, Quality Assurance Division
Engr. Juanito M. Maloom	Chief SRS, Product Development Division
Rolando C. Dela Cruz	Chief SRS, Techno-Lab. Services & Implementation Division
Russel R. Rutab	OIC, Budget and Cash Management Division
Chryzl Hirieze Marie P. Estacio	OIC, Accounting Division
Divina D. Pagdilao	Chief Agriculturist, Ilocos Norte Branch Office
Jose A. Taclas, Jr.	Acting Chief Agriculturist, Vigan Branch Office
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John Caesar V. Albano	Administrative I (JO)
Hazel Anne M. Inguillo	Private Secretary, OAD

* Per Special Order No. 0112 s. 2023 dated 24 January 2023

PICTORIAL



REFERENCES

- 1. Executive Order No. 245 (July 24, 1987)
- 2. Tobacco Regulation Act of 2003 (RA 9211)
- 3. Sustainable Tobacco Enhancement Program
- 4. Philippine Development Plan (2023-2028)



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