





**PHILIPPINE NATIONAL  
CONSTRUCTION CORPORATION**

24 January 2023

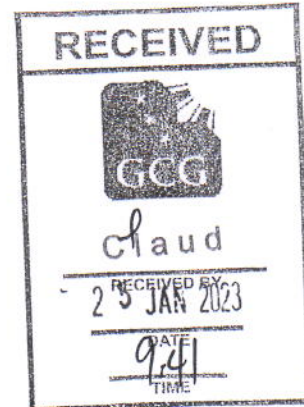
Ref. No.: OP-MEU-003-2023L

**MR. ALEX L. QUIROZ**

Chairman

**GOVERNANCE COMMISSION FOR GOCCs**

3<sup>rd</sup> Floor, BDO Center, 8741 Paseo De Roxas,  
Makati City, Philippines



**Subject : Quarterly Monitoring Report for CY 2022**  
**Performance Evaluation System [PES]**

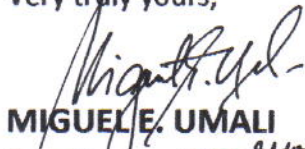
**Dear Mr. Quiroz:**

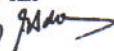
In compliance with your letter dated June 6, 2022 regarding the above-stated subject, we transmit herewith the Performance Evaluation System (PES) Monitoring Report for the fourth (4th) quarter of the Calendar Year 2022.

**We trust that you will find the foregoing submission to be in order.**

Thank you.

Very truly yours,

  
**MIGUEL E. UMALI**

President and CEO 

w/att





PHILIPPINE NATIONAL CONSTRUCTION CORPORATION

OBJECTIVE / MEASURES		FORMULA	WEIGHT	RATING SCALE	Target	4th QUARTER ACCOMPLISHMENT
SO 1 Maximize Stakeholder Value						
SM1	Construction and Development of Real Properties (FCA Properties)	Actual Accomplishment	10%	All or Nothing	Signed Lease Contract for 2 hectares of Sta. Rita, Bulacan Property	Lease Contract with San Miguel Holdings Corporation was signed on May 16, 2022.
SM2	Percentage of Satisfied Customers	Number OF respondents which gave at least a Satisfactory rating / Total number of respondents	5%	Actual / Target 0% if below 80%	90%	<ul style="list-style-type: none"><li>• Coordination meeting for the conduct of CSS 2022 was held on 23 November 2022. (Refer to Annex SM2-1)</li><li>• PNCC requested from GCG to conduct the CSS in-house. (Refer to Annex SM2-2)</li></ul>
	a. Partner Agencies		5%			<ul style="list-style-type: none"><li>• PNCC BAC approved the award of Third Party Consulting Service to interpret the result of CSS for 2022 on 5 January 2023.</li><li>• The conduct of CSS 2022 is now on-going.</li></ul>
	b. Concessionaires		5%			
SUBTOTAL			20%			
SO 2 Improve Internal Systems and Procedures						
SM 3	ISO Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Certification	<ul style="list-style-type: none"><li>• PNCC has completed all the activities of the PDCA cycle required to continue with the Certifying Body (CB) audit.</li><li>• CB selection and evaluation is on-going via alternative method in view of two (2) failed bidding conducted on October 26, 2022 and November 17, 2022.</li><li>• Awaiting for the audit of Certifying Body.</li></ul>
Construction and Development of Expressway Projects						
SM 4	a. Lucena-Matnog Expressway / SLEX TR5	Actual Accomplishment	5%	All or Nothing	Completion of STOA Negotiation	<ul style="list-style-type: none"><li>• The STOA was signed by TRB, SMC, O&amp;M Corp. and PNCC on 3 June 2022.</li><li>• In a letter dated 27 June 2022 from Executive Secretary Salvador Medialdea informed TRB Executive Director Alvin A. Carullo that the STOA covering the proposed SLEX TR5 Project has been approved by the President of the Republic of the Philippines.</li></ul>
INTERNAL PROCESS						

INTERNAL PROCESS		OBJECTIVE / MEASURES	FORMULA	WEIGHT	RATING SCALE	Target	4th QUARTER ACCOMPLISHMENT
		b. Pasig River Expressway Project (PAREX)	Actual Accomplishment	12%	All or Nothing	Approval of the STOA by the President of the Philippines	In a letter dated 14 March 2022 from Executive Secretary Salvador Medialdea informed TRB Executive Director Alvin A. Carullo that the STOA covering the proposed PAREX Project has been approved by the President of the Republic of the Philippines.
				1%		Approval of Final Engineering Design by TRB	On-going preparation of Final Engineering Design.
		c. Integrated Airport Toll Expressways Network	Actual Accomplishment				
		1. Northern Access Link		3%		Completion of STOA Negotiation	<ul style="list-style-type: none"> <li>The STOA was signed by TRB, SMC, O&amp;M Corp. and PNCC on 21 March 2022.</li> <li>In a letter dated 6 May 2022 from Executive Secretary Salvador Medialdea informed TRB Executive Director Alvin A. Carullo that the STOA covering the proposed Northern Access Link Expressway (NALEX) Project has been approved by the President of the Republic of the Philippines.</li> </ul>
		2. Southern Access Link		1%	All or Nothing	Completion of STOA Negotiation	<ul style="list-style-type: none"> <li>The STOA was signed by TRB, SMC, O&amp;M Corp. and PNCC on 20 June 2022.</li> <li>In a letter dated 27 June 2022 from Executive Secretary Salvador Medialdea informed TRB Executive Director Alvin A. Carullo that the STOA covering the proposed Southern Access Link Expressway (SALEX) Project has been approved by the President of the Republic of the Philippines.</li> </ul>
SM 5		3. Central Access Link		1%		Completion of STOA Negotiation	Awaiting notice from TRB in regard the negotiation of STOA.
		a. Metro Manila Skyway Stage 3	Actual Annual Traffic count divided by Projected Annual Traffic Count	10%	Actual / Target	51 Million Annual Vehicle Traffic	Total Annual Vehicle Traffic as of 31 December 2022 is 44,147,829, refer to Annex SM5-1.
		b. (FTI-Bicutan)	Actual Accomplishment	2%	Actual / Target	15% of Segment 1 Completed	As of 31 December 2022, overall percent completion is 3.33%, refer to Annex SM5-2.



		Sub – total		38%			
<b>SO 4</b>	<b>Reinforce Collection System</b>						
SM 6	Percentage of Receivables Collected	Actual collection / Target Collection	6%	Actual / Target	Collection of at least 50% of Guaranty Deposits from Investors Assurance Corporation (IAC)	<ul style="list-style-type: none"> <li>On April 8, 2021, the IC has issued a clearance to release the P90M collateral held by LBP. Out of the P90M, only P86.156M was cleared for release in favor of PNCC and the remaining P3.44M is withheld pending resolution between all concerned parties.</li> <li>On April 28, 2021, PNCC requested LBP for the immediate release of the P86.156M.</li> <li>On May 5, 2021, the requested amount was released to PNCC by LBP. The P83M out of P86.156M was placed on a High Yield Savings Account with LBP</li> </ul>	
<b>SO 5</b>	<b>Improved Equity and Debt Management Service Strategies</b>						
SM 7	Revenues	Service Income + Share in JVs + Dividend Income + Interest Income + Rental	7%	Actual / Target	P521.02M	Service Income 88,760,527.28 Share in JVs 279,933,657.51 Dividend Income 41,964,566.80 Interest Income 24,783,143.88 Rental Income 59,467,663.16 Subtotal 494,909,558.63 Other Income 84,144,750.04 <b>579,054,308.67</b>	
SM 8	Conversion of Debt-to-Equity	Actual amount of debt-to-converted-to-equity divided by Actual amount-of-debt to be converted to equity	1%	All or Nothing	Finalization of Debt Payment Scheme with PMO	The total revenue (unaudited) as of 31 December 2022 translates to 111.14% of the total projected revenue. <ul style="list-style-type: none"> <li>On July 7, 2022, PNCC received the OP decision on its appeal.</li> <li>On July 22, 2022, PNCC submitted to OP its Motion for Reconsideration on the decision dated July 7, 2022.</li> </ul>	
SM 9	Budget Utilization Rate (BUR)	Actual Disbursement Total Approved COB (Both Net of PS Cost)	10%	Actual / Budget	90%	Actual disbursement net of PS Cost as of 4 <sup>th</sup> quarter of 2022 is P43,013,789 which translates to 69.83% BUR.	
	<b>Sub – total</b>		<b>32%</b>				
<b>e (NLT) FINANCE</b>							

LEARNING & GROWTH																							
SO 6	Development of Manpower																						
SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	10%	All or Nothing	Establish Baseline																		
<div><p>The review of job description of the incumbent employees is on-going. Determination of competency level for each position is on-going at departmental level.</p><p>As of December 31, 2022, the ISO Subcommittee for Competency Framework had reviewed the job description of the following Departments, to wit:</p><table><thead><tr><th>Office</th><th># of employees</th><th># of positions</th></tr></thead><tbody><tr><td>Treasury Department</td><td>4</td><td>3</td></tr><tr><td>Realty Department</td><td>2</td><td>2</td></tr><tr><td>Total</td><td>6</td><td>5</td></tr><tr><td>Total # no employees / positions for profiling</td><td>10.71%</td><td>12.19%</td></tr><tr><td></td><td>56</td><td>41</td></tr></tbody></table><p>Assessment shall commence upon finalization of the Job Description for each position.</p></div>						Office	# of employees	# of positions	Treasury Department	4	3	Realty Department	2	2	Total	6	5	Total # no employees / positions for profiling	10.71%	12.19%		56	41
						Office	# of employees	# of positions															
						Treasury Department	4	3															
Realty Department	2	2																					
Total	6	5																					
Total # no employees / positions for profiling	10.71%	12.19%																					
	56	41																					
Sub – total		10%																					
TOTAL		100%																					