



**PHILIPPINE NATIONAL
CONSTRUCTION CORPORATION**

October 27, 2021

Ref.No.: OP-MEU-062-2021L

MR. SAMUEL G. DAGPIN, JR.

Chairman

MR. MICHAEL P. CLORIBEL

Commissioner

MS. MARITES C. DORAL

Commissioner

GOVERNANCE COMMISSION FOR GOCCs

3rd Floor BDO Towers, 8741 Paseo De Roxas,
Makati City, Philippines



**SUBJECT: PERFORMANCE EVALUATION SYSTEM (PES)
MONITORING REPORTS
(MODIFIED 2021 PERFORMANCE SCORECARD)**

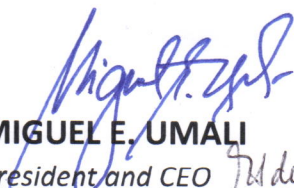
Gentlemen:

In compliance with your letter dated 19 July 2021 regarding the above-stated subject, we transmit herewith the Performance Evaluation System (PES) Monitoring Report for the 3rd quarter of the Calendar Year 2021.

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

Thank you for your kind consideration.

Very truly yours,


MIGUEL E. UMALI
President and CEO

w/att



28 OCTOBER 2021

ATTY. MIGUEL E. UMALI

President and CEO

PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)

Km. 15 East Service Road, Bicutan Parañaque City

ACKNOWLEDGEMENT RECEIPT

LETTER 27 OCTOBER 2021
 DATE:

RE: **LETTER FROM PNCC TO GCG RE SUBMISSION OF
 PERFORMANCE EVALUATION SYSTEM (PES)
 MONITORING REPORT FOR THE 3RD QUARTER OF CY
 2021**

The said document was officially received by the Governance Commission on 28 October 2021 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 5328-2030 or (02) 5318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-0942-28-10-2021-016611**.

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

 Signature over Printed Name

 Date and Time

PRIVACY NOTICE: Any or all personal data you provided will only be used to process your transaction with the GCG and for other compatible purposes. All collected data will be kept secure and confidential, unless otherwise authorized by law. They will be disposed of as soon as the purpose for their use has been achieved. Only aggregate or anonymized data shall be subject to further processing. We respect your rights under the Data Privacy Act. Should you wish to invoke any such rights in relation to our processing of your personal data, or have questions or clarifications relative to privacy and data protection, you may contact the GCG – Data Privacy Team at privacy@gcg.gov.ph. You may lodge your complaint or submit an incident report form in the same email address.





PHILIPPINE NATIONAL CONSTRUCTION CORPORATION

PES Monitoring Report

OBJECTIVE / MEASURES	FORMULA	WEIGHT	RATING SCALE	Target	3rd QUARTER ACCOMPLISHMENT
SO 1 SM1 Maximize Stakeholder Value Construction and Development of Real Properties (FCA Properties)	Actual Accomplishment	12%	All or Nothing	Signed Lease Contract for 9.9 hectares of FCA Property	Awaiting approval Office of the President of the Philippines on proposed leased and development of 9.9 hectare FCA property. Meanwhile, PNCC has written the PMO requesting for an update on the proposed lease. Refer to Annex "A-1" and Annex "A-2" PMO's reply to PNCC Letter.
SM2	Percentage of Satisfied Customers	Number of respondents which gave a Satisfactory rating / Total number of respondents	OF	Actual / Target 0% if below 80%	90%
					2.5%
					2.5%
SUBTOTAL				17%	
SO 2 SM 3 Improve Internal Systems and Procedures ISO Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Certification	<ul style="list-style-type: none"> 100% of the documents required for the implementation of PNCC QMS has been completed. In view of the enhanced community quarantine implemented on March to June some of the scheduled activities were put on hold. The Quality Manual has been reviewed by the ISO Core Team and subsequently approved by the QMR / President & CEO for submission to the Corporate Governance Committee for their review and endorsement to the Board for adoption. The PNCC Board in its meeting dated 22 October 2021 adopted the QMS and acknowledged its support and commitment to QMS. Refer to Annex "C"
INTERNAL PROCESS					
s of FCACUSTOMERS / STAKEHOLDERS					

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		Construction and Development of Expressway Projects						
SM 4	a. Lucena-Matnog Expressway / SLEX TR5	Actual Accomplishment	7%	All or Nothing	Commencement/Continuation of STOA Negotiation		<ul style="list-style-type: none"> Other activities required for Certification will be set in November and December 2021. 	
			3%					
		Actual Accomplishment	12%	All or Nothing	Project Groundbreaking	Completion of STOA Negotiation		
			3%					
SM5	c. Integrated Airport Toll Expressways Network	Actual Accomplishment	1%	All or Nothing	TRB Declaration as Tollroad Project			
			7%					
			3%					
SM5	Payroll Transition from Manual to ATM	Actual number of employees enrolled for ATM payroll divided by Total Number of Employees x Weight	5%	Actual / Target x Weight	100% Implementation (All regular employees enrolled to Atm payroll)			
			3%					
SO 3		Enhance Mobility of People and Commerce						
SM 6	a. Metro Manila Skyway Stage 3	Actual Annual Traffic count divided by Projected Annual Traffic Count	12%	Actual / Target	43 Million Annual Vehicle Traffic		Total traffic count from its actual operation in July 2021 up to September 30, 2021 is 4,763,512. Refer to Annex "H".	

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LEARNING & GROWTH		FINANCE				
	b. (FTI-Bicutan)	Actual Accomplishment	5%	Actual / Target	15% of Segment 1 Completed	Refer to Annex "I". ✓
		Sub – total	60%			
SO 4 Reinforce Collection System						
SM 7	Percentage of Receivables Collected	Actual collection / Target Collection	7%	Actual / Target	100 % Collection of Judgment / Monetary Award of PMMA (P100.55M)	COA rendered a Decision dated February 11, 2021 denying the Petition. PNCC filed a Motion for Reconsideration on April 15, 2021. A Supplemental Motion for Reconsideration was filed on August 23, 2021. Refer to Annex "J". ✓
SO 5 Improved Equity and Debt Management Service Strategies						
SM 8	Revenues	Service Income + Share in JVAs + Dividend Income + Interest Income + Rental	7%	Actual / Target	P402.09M	As of 31 July 2021: Service Income - 2,277,400 Share in JVA - 86,972,554 Dividend - 15,203,610 Interest - 9,997,726 Rental - 20,050,606 (adj.) <u>134,501,896</u>
						This translates to 33.45% of the total target revenue for 2021 based on COB.
SM 9	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	* Far below the target as of July 2021, the company should had met the 58.33% of the target or P234.55M. Still awaiting the decision of OP on PNCC's appeal.
		Sub – total	18%			
SO 6 Development of Manpower						
SM 10	Develop Competency Framework	Actual Accomplishment	5%	All or Nothing	Board-approved Competency Framework	The ISO Subcommittee for Competency Framework has submitted to the Board the Competency Framework on 29 April 2021 and it was approved by the Board on May 19, 2021.
		Sub – total	5%			
		TOTAL	100%			