



Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



01 September 2020

MR. RAMON M. LOPEZ

*Secretary, Department of Trade and Industry and
NDC Chairperson*

MS. MA. LOURDES F. REBUENO

General Manager (GM)

NATIONAL DEVELOPMENT COMPANY (NDC)

*NDC Building, 116 Tordesillas Street, Salcedo Village,
Makati City, Philippines*

RE : TRANSMITTAL OF 2020 PERFORMANCE SCORECARD

Dear Secretary Lopez and GM Rebueno:

This is to formally transmit the 2020 Charter Statement and Strategy Map (**Annex A**) and 2020 Performance Scorecard (**Annex B**) of NDC.

The NDC-proposed Charter Statement, Strategy Map and Performance Scorecard submitted through its letter dated 30 September 2019¹ were **MODIFIED** based on the discussions made during the technical panel meeting (TPM) held on 11 December 2019 and evaluation of revised documents submitted through its letters dated 26 December 2019² and 15 July 2020.³ We note, however, that NDC was not able to submit a Board Resolution approving the submission of the foregoing requirements.

We take this opportunity to inform NDC that Item 5 of GCG Memorandum Circular No. 2017-02⁴ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter. NDC is requested to submit its revised Quarterly Targets based on the attached scorecard upon submission of the 3rd Quarter Monitoring Report for 2020.

FOR NDC'S COMPLIANCE AND GUIDANCE.

Very truly yours,

Digitally signed by
Dagpin Samuel
Gallemit Jr

SAMUEL G. DAGPIN, JR.
Chairman

Digitally signed
by Cloribel
Michael
Paquera

MICHAEL P. CLORIBEL
Commissioner

Digitally
signed by
Doral Marites
Cruz

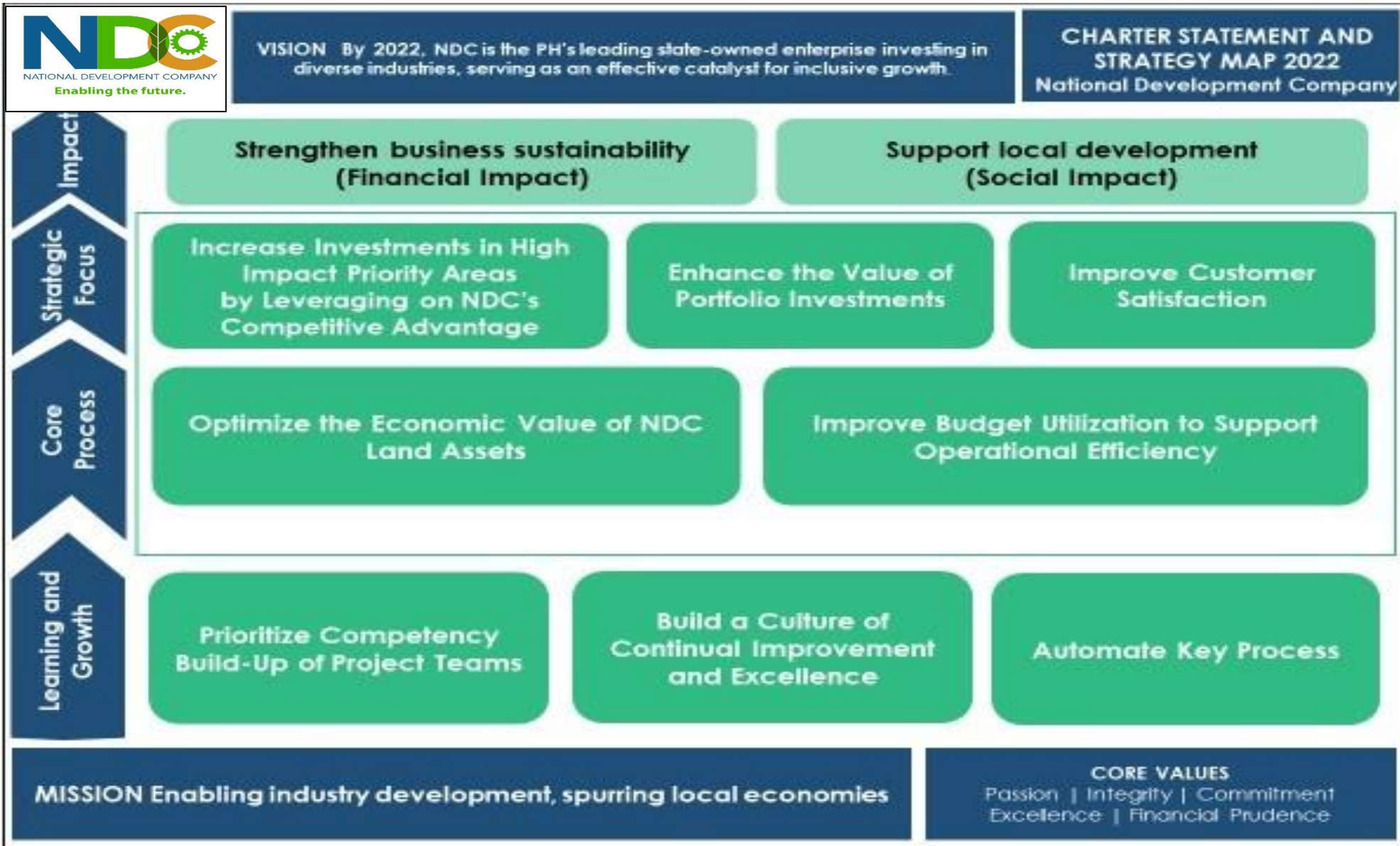
MARITES C. DORAL
Commissioner

¹ Officially received by the Governance Commission on 30 September 2019.

² Officially received by the Governance Commission on 26 December 2019.

³ Officially received by the Governance Commission on 15 July 2020. ⁴

INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.



NATIONAL DEVELOPMENT COMPANY (NDC)

Component					Baseline Data		Target		
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
IMPACT	SO 1	Strengthen Business Sustainability (Financial Impact)							
	SM 1	Return on Equity (ROE)	Net Income / Stockholder's Equity Adjusted	25%	(Actual/Target) x Weight	N/A	19.23%	3.00%	4.19%
	SO 2	Support Local Development (Social Impact)							
	SM 2	Cumulative Number of Local Jobs Generated by the Projects/Investments	Number of Local Jobs Generated per Operational Report	5%	(Actual/Target) x Weight <i>0% = if less than the 2019 Actual</i>	373	523	2018 Actual + 127 new jobs	2019 Actual + 50 new jobs
	Sub-total			30%					
	SO 3	Increase Investments in High Impact Priority Areas by Leveraging on NDC's Competitive Advantage							

2020 Performance Scorecard (Annex B)

STRATEGIC FOCUS	2020 Performance Scorecard (Annex B)								
	SM 3	Cumulative Value of Investments	Amount of Investments in High Impact Priority Areas as Approved by the NDC Board	15%	(Actual/Target) x Weight <i>0% = if less than 2019 Actual</i>	₱2.71 Billion	₱3.80 Billion	2018 Actual + ₱1.5 Billion	2019 Actual + ₱500 Million
	Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
SO 4	Enhance the Value of Portfolio Investments								
SM 4	Return on Investments	Amount of Dividends Received ¹ / Total Investments Excluding Companies for Dissolution and Pre-Operating Companies	10%	(Actual/Target) x Weight	N/A	4.21%	2.22%	6.78%	
SO 5	Improve Customer Satisfaction								

¹ Including dividend remittance of NDC's subsidiaries to the National Government.

2020 Performance Scorecard (Annex B)

	SM 5	Percentage of Satisfied Customers	Number of Respondents who rated at least Satisfactory / Total Number of Survey Respondents	5%	(Actual/Target) x Weight <i>0% = if below 80%</i>	100%	100%	100%	100%
	Sub-total			30%					
CORE PROCESS	SO 6	Optimize the Economic Value of NDC Land Assets							
	SM 6	Income from Asset Management	Amount of Lease Income and Sales Proceeds Collected	15%	(Actual/Target) x Weight	N/A	N/A	₱505 Million	₱208.50 Million

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020
	SO 7	Improve Budget Utilization to Support Operational Efficiency						

	SM 7	Budget Utilization Rate	Total Amount of Cash Disbursements / Total Budget for the Year	10%	92% - 100% = 10% 80% - 91% = 5% Less than 80% = 0% More than 100% = 0%	N/A	91%	> 91%	> 91%
	Sub-total			25%					
LEARNING AND GROWTH	SO 8	Prioritize Competency Build-Up of Project Teams							
	SM 8	Improvement in the Competency Level of the Organization	Actual Accomplishment	5%	All or Nothing	N/A	100% increase from baseline (38% of employees met the required competencies)	Competency Baseline Improved	Improvement in the Competency Baseline of the Organization ²

² The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum AA - 11}{bb} \times 100 = \frac{AA - 11}{bb} \times 100$$

$\sum BB$ $AA - 11$ bb

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020
SO 9	Build a Culture of Continual Improvement and Excellence							
SM 9	ISO Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Certified	Maintained ISO 9001:2015 Certification	ISO 9001:2015 Certification Maintained	Recertification to ISO 9001:2015 Standards
SO 10	Automate Key Process							
SM 10	Information Technology Systems Implemented	Number of projects completed based on the deliverables per ISSP / Total number of 2020 deliverables per 2019 – 2021 ISSP submitted to DICT	5%	(Actual/Target) x Weight	N/A	N/A	Cash Accounting System Submitted for BIR's Accreditation and Board-Approved ISSP 2020-2022 as Submitted to DICT	100% Completion of the 2020 ISSP Deliverables as submitted to DICT
Sub-total			15%					
TOTAL			100%					