



27 June 2022

MR. RAMON M. LOPEZ

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

MS. CZANNIS D. GILHANG

Secretary III

NATIONAL DEVELOPMENT COMPANY (NDC)

NDC Building, 116 Tordesillas St., Salcedo Village,
Makati City, Philippines

RE : TRANSMITTAL OF 2022 PERFORMANCE SCORECARD

Dear Secretary Lopez and Ms. Gilhang,

This is to formally transmit the 2022 Charter Statement and Strategy Map (**Annex A**) and 2022 Performance Scorecard (**Annex B**) of NDC. The same is to be posted in NDC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The NDC proposed Charter Statement, Strategy Map, and Performance Scorecard submitted through its letter dated 31 August 2021² were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 12 November 2021 and evaluation of revised documents submitted through its letter dated 03 December 2022.³

We take this opportunity to **REMIND** NDC that Item 5 of GCG M.C. 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. PRA is requested to submit its revised Quarterly Targets based on the attached scorecard upon the submission of the Quarterly Monitoring Report for 2022.

Finally, under GCG M.C. No. 2017-02, GOCCs can no longer renegotiate the targets set in their Performance Scorecards for the current year. Thus, any request for modification in the 2022 Performance Scorecard will instead be considered during the validation of the reported annual accomplishments.

FOR NDC'S INFORMATION AND COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN, JR.
Chairman

JAYPEE O. ABESAMIS
*O/C-Commissioner**

MARITES C. DORAL
Commissioner

¹ Code of Corporate Governance for GOCCs dated 28 November 2012.

² Officially received by the Governance Commission on 31 August 2021.

³ Officially received by the Governance Commission on 01 September 2021.

⁴ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.

*By virtue of the Memorandum from the Executive Secretary dated 21 March 2022.

2022 CHARTER STATEMENT AND STRATEGY MAP (ANNEX A)



NATIONAL DEVELOPMENT CORPORATION

Component					Baseline Data		Target		
	Objective/Measure		Formula	Weight	Rating System	2019	2020	2021	2022
IMPACT	SO 1	Inclusive Growth and Development							
	SM 1	Cumulative Number of Local Jobs Generated by the Projects/ Investments	Number of local jobs generated per operational report	10%	(Actual / Target) x Weight 0% = If less than the 2021 Actual	701	807	2020 Actual + 50 new jobs	2021 Actual + 50 new jobs
		Sub-total		10%					
	SO 2	Increase Social and Economic Dividends							
	SM 2	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory / Total number of Survey Respondents	5%	(Actual / Target) x Weight 0% = If lower than 80%	Report not acceptable	95%	100%	100%
	SM 3	Return of Investments	Total Amount of Dividends Received ¹ / Total Investments Excluding Companies for Dissolution and Pre-Operating Companies	15%	(Actual / Target) x Weight	2.44%	42.52%	3.79%	2.41%
		Sub-total		20%					

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

Component						Baseline Data		Target	
	Objective/Measure		Formula	Weight	Rating System	2019	2020	2021	2022
STRATEGIC FOCUS	SO 3	Strengthened Business Sustainability							
	SM 4	Return of Equity	Net Income after Tax / Total Equity	20%	(Actual / Target) x Weight	6.99% ²	9.38% ³	N/A	3.95%
		Sub-total		20%					
	SO 4	Prioritize Investments in Health, Food Supply Chain, Climate Change Mitigation, and Technology Innovation							
CORE PROCESS	SM 5	Cumulative Value of Investments	Amount of investments in high impact priority areas as approved by the NDC Board	10%	(Actual / Target) x Weight <i>0% = If less than the 2021 Actual</i>	₱8.42 Billion	No data	2020 Actual + ₱500 Million	2020 Actual + ₱500 Million
		Sub-total		10%					
	SO 5	Leverage Assets of NDC and its Subsidiaries to Further Optimize their Economic Value							
	SM 6	Lease Income	Total Amount of Lease Income (as reflected in Statement of Comprehensive Income)	10%	(Actual / Target) x Weight	₱191.42 Million ⁴	₱177.157 Million ⁵	₱3,041.71 ⁶ Million	₱199.56 Million

² Data based on COA Audited Financial Statements.

³ Ibid.

⁴ Ibid

⁵ Ibid

⁶ Based on the Secretary's Certificate issued for the approval of 2021 PES documents of NDC.

Component					Baseline Data		Target		
	Objective/Measure		Formula	Weight	Rating System	2019	2020	2021	2022
	SM 7	Proceeds from Sale of Assets	Total amount of Proceeds from Sale of Assets (as reflected in Cash Flow Statement)	10%	(Actual / Target) x Weight	₱92,929 ⁷	₱1,575 ⁸		₱577.83 Million
		Sub-total		20%					
	SO 7	Restructure and Retool the Organization while Strengthening the HR System							
	SM 8	Improvement in the Competency Baseline of the Organization	Competency Baseline ⁹ 2022 – Competency Baseline 2021	5%	All or Nothing	Unverifiable	Competency Baseline improved by 0.93%	Improvement in the Competency Baseline of the Organization	Improvement in the Competency Baseline of the Organization
		Sub-total		5%					
LEARNING AND GROWTH	SO 8	Upgrade ICT Infrastructure and Security							
	SM 9	Implement the Information Systems Strategic Plan	Total Number of Deliverables Due for 2022 delivered / Total Number of	2.5%	(Actual / Target) x Weight	Financial Management System submitted	Completed 100% of 2020 ISSP Deliverables	100% Completion of the 2021 ISSP	100% Completion of the 2021 ISSP Deliverables as submitted to DICT

⁷ Ibid

⁸ Ibid

⁹ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\sum_{b=1}^B \left[\frac{\sum_{a=1}^A \left(\frac{\text{Actual Competency Level}}{\text{Required Competency Level}} \right) a}{A} \right] b$$

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	2019	2020	2021	2022
			Deliverables Due for 2022 ¹⁰			for BIR's accreditation	as submitted to DICT	Deliverables as submitted to DICT	
			Actual Accomplishment	2.5%	All or Nothing				Submission of Board-Approved ISSP 2023-2025
		Sub-total		5%					
	SO 9	Adopt Global Best Practices for Transparency and Accountability							
	SM 10	Disbursements Budget Utilization Rate	Total Disbursement / DBM-approved Corporate Operating Budget (both net of PS Cost)	5%	(Actual / Target) x Weight	95%	97.28%	>91%	90%
SM 11	ISO Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Certification Maintained	Recertification to ISO 9001:2015 Standards	ISO 9001:2015 Certification Maintained	ISO 9001:2015 Certification Maintained	
		Sub-total		10%					
		TOTAL		100%					

¹⁰ Deliverables refer to systems/applications.