



27 JULY 2022

ATTY. MIGUEL E. UMALI
President and CEO
PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)
Km. 15 East Service Road, Bicutan
Parañaque City

ACKNOWLEDGEMENT RECEIPT

LETTER 27 JULY 2022
DATE:

RE: **[E] LETTER FROM PNCC TO GCG RE SUBMISSION
OF QUARTERLY MONITORING REPORT FOR THE
1ST AND 2ND QUARTERS OF CY 2022**

The said document was officially received by the Governance Commission on 27 July 2022 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: **0-0410-27-07-2022-013341.**

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

Signature over Printed Name

Date and Time

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**PHILIPPINE NATIONAL
CONSTRUCTION CORPORATION**

27 July 2022

Ref. No.: OP-MEU-072-2022L

ATTY. JOHANN CARLOS S. BARCENA

Officer-in-Charge/Director

GOVERNANCE COMMISSION FOR GOCCs

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

**SUBJECT: QUARTERLY MONITORING REPORT FOR CY 2022
(Performance Evaluation System (PES))**

Dear Atty. Barcena:


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 first and second 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.



		OBJECTIVE / MEASURES	FORMULA	WEIGHT	RATING SCALE	Target	1 st & 2 nd QUARTER ACCOMPLISHMENT	
s of FCACUSTOMERS / STAKEHOLDERS	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. Refer to Annex "1".	
	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"> Data gathering methodology of CSS was done by PNCC as approved by GCG. Refer to Annex "2" for details. CSS result was analyzed by IPSOS. Refer to Annex "3" for analysis. Overall satisfaction rating is 4.67 equivalent to 93.4%.
		a.	Partner Agencies					
		b.	Concessionaires					
SUBTOTAL				20%				
INTERNAL PROCESS	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"> Management Review was held on June 29, 2022, refer to Annex "4" for minutes. PNCC has completed all the activities of the PDCA cycle required to continue with the Certifying Body (CB) audit. CB selection and evaluation is on-going. 	
	SM 4	<i>Construction and Development of Expressway Projects</i>						
		a.	Lucena-Matnog Expressway / SLEX TR5	Actual Accomplishment	5%	All or Nothing	Completion of STOA Negotiation	<ul style="list-style-type: none"> 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. Refer to Annex "5"

	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. Refer to Annex "6"		
			1%		Approval of Final Engineering Design by TRB	No update yet		
	c. Integrated Airport Toll Expressways Network	Actual Accomplishment	All or Nothing	3%	All or Nothing	Completion of STOA Negotiation	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. Refer to Annex "7"	
								1. Northern Access Link
								2. Southern Access Link
								3. Central Access Link
	SM 5	a. Metro Manila Skyway Stage 3	Actual Annual Traffic count divided by Projected Annual Traffic Count	10%	Actual / Target	51 Million Annual Vehicle Traffic	Actual Vehicle Traffic as of June 30, 2022 is 19,185,391 (Refer to Annex "9")	
		b. (FTI-Bicutan)	Actual Accomplishment	2%	Actual / Target	15% of Segment 1 Completed	Actual Accomplishment as of June 30, 2022 = 3.33%. Refer to Annex "10"	
	Sub - total			38%				
	e (NLT) FINANCE	SO 4	Reinforce Collection System					
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"> This account pertain to the guarantee/collateral for the Investors Assurance Corporation (IAC) Bond No. G(16) 0015764 in favor of IAC amounting to ₱71.072M. This is in connection with the Ernesto N. Valentin, et. Al. vs PNCC case. On November 14, 2016, The Supreme 	

						<p>Court rendered in PNCC's favor, denying with finality the North Luzon Tollways (NLT) Employees' Motion for consideration. With such denial, the dismissal of NLT employees' complaint for various money claims against PNCC is now final and executory.</p> <ul style="list-style-type: none"> • On February 7, 2018, PNCC filed a Motion to Release Bond and declared the case closed and terminated with the Labor Arbiter (LA). • On August 22, 2019, the LA partially granted the release of cash collateral excluding the amount allegedly released by IAC in the total amount of P37.107M. OGCC appealed the Order with the NLRC on the ground that there is no sufficient proof that IAC released the said amount to the complainants. The appeal however was dismissed. OGCC filed a Motion for Reconsideration on the said dismissal. PNCC likewise filed an Administrative Complaint against the LA with NLRC. Awaiting the decision of NLRC on the Motion for Reconsideration and the administrative case filed against the LA. • In a letter dated February 10, 2021, PNCC requested the Insurance Commission (IC), as conservator of IAC, to issue clearance as required by both Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP) for the release of the P100.327M collateral. • 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. Refer to Annex "11A" • On April 28, 2021, PNCC requested LBP for the immediate release of the P86.156M Refer to Annex "11-A and 11-B"
SO 5	Improved Equity and Debt Management Service Strategies					

	SM 7	Revenues	Service Income + Share in JVs + Dividend Income + Interest Income + Rental	7%	Actual / Target	₱521.02M	Refer to Annex "12".
	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	Still awaiting the decision of OP on PNCC's appeal.
	SM 9	Budget Utilization Rate (BUR)	Actual Disbursement Total Approved COB (Both Net of PS Cost)	10%	Actual / Budget	90%	.25
			Sub – total	32%			

LEARNING & GROWTH	SO 6	Development of Manpower					
	SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	10%	All or Nothing	Establish Baseline	The ISO Subcommittee for Competency Framework has yet to document the Position Profiles and Competency-Based Job Description. Upon completion, its only then that we can proceed with the assessment of incumbent employees.
			Sub – total	10%			
			TOTAL	100%			