



## PERFORMANCE AGREEMENT

This Performance Agreement has been executed pursuant to the **PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02)** between the –

**GOVERNANCE COMMISSION FOR GOCCs (GCG)**

- and -

**PHILIPPINE COCONUT AUTHORITY (PCA)**

**WITNESSETH: THAT –**

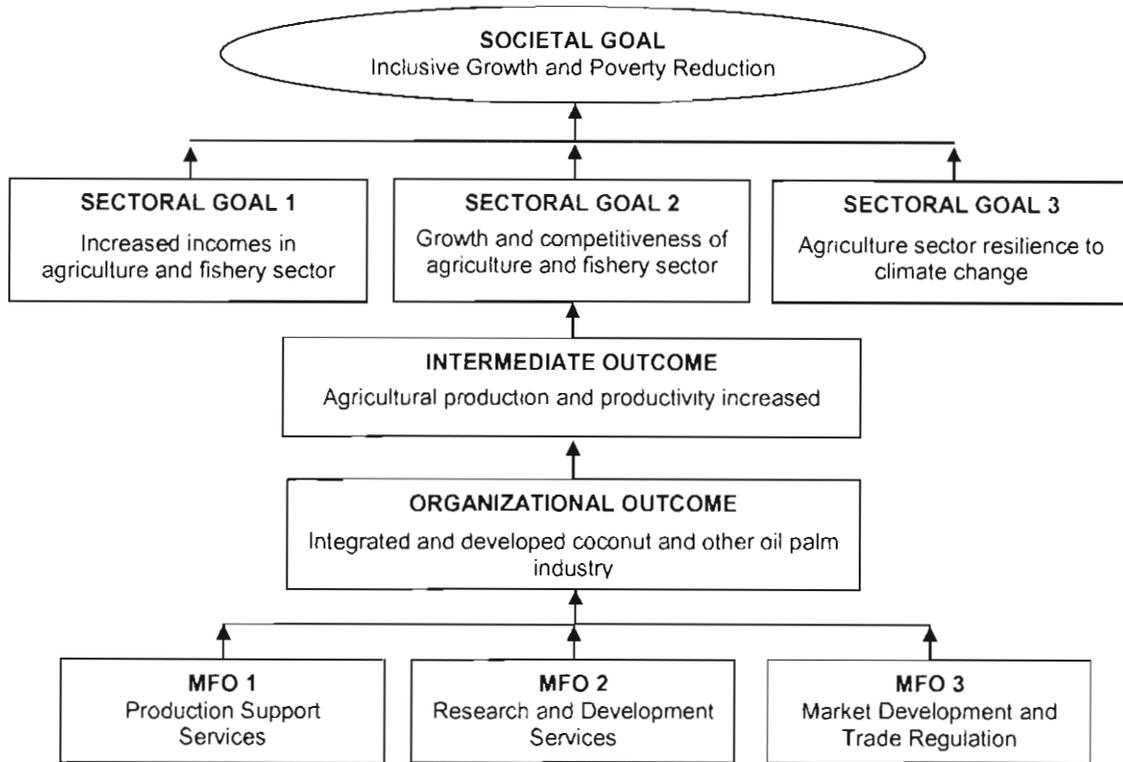
The Parties agree to the following terms:

1. **Period.** – This Agreement shall be effective for a period of two (2) calendar years beginning from the execution of this agreement and ending on 31 December 2014.
2. **Charter Statement and OPIF Logframe.** – PCA's Charter Statement and OPIF Logframe for the Period specified in Section 1 hereof, shall be as follows:

**Mission:** To promote the development of a globally competitive coconut and other palm oil industry that would contribute to food security, improved income and enhanced participation of all stakeholders.

**Vision:** The Philippine Coconut Authority shall ensure the development and implementation of high value programs carried out in transparent, responsible and accountable manner and with utmost degree of professionalism and effectiveness.

**PCA Logframe**



3. **Measurement of Performance.** – Based on PCA's Interim Performance Scorecard, attached hereto as **Annex A**, the evaluation of PCA's performance for 2013-2014 shall be based on the following Measures/Performance Indicators and Annual Targets, to wit:

MFO	Performance Measures*	Weight		Baseline			Annual Targets	
		2013	2014	2010	2011	2012	2013	2014
MFO 1: Production Support Services	<b>PI Set 1: Planting/Replanting of PCA recommended varieties in suitable areas</b>							
	Quantity 1: No. of seedlings distributed	10%	10%	3.3M	3.1M	14.433M	17.5M**	19.5M**
	Quantity 2: No. of farmer beneficiaries	10%	10%	29,500	32,530	131,205	175,000**	195,000**
	Quality : Survival rate of seedlings planted in the last three (3) years	5%	5%	-	-	-	75%	80%
	<b>PI Set 2: Fertilization of low-bearing coconut trees to increase coconut productivity</b>							
	Quantity: Volume of salt fertilizers distributed (bags)	10%	10%	552,415	314,363	792,000	843,605**	871,200**
	Timeliness: Percentage of bags of fertilizers distributed to farmers in 45 days from date of delivery by the supplier	2.5%	2.5%	80%	85%	99%	99%	100%
	<b>PI Set 3: KANIB Enterprise Development Project</b>							
	Quantity : No. of KEDP sites established	15%	10%	-	10	90	524**	624**
	Quality: Percentage of successful adoption of coco-based enterprise	-	5%	-	-	-	-	80%***

MFO	Performance Measures*	Weight		Baseline			Annual Targets	
		2013	2014	2010	2011	2012	2013	2014
<b>Set 4: Farmers' Education and Skills Training</b>								
	Quantity : No. of persons provided with trainings	10%	10%	107,415	88,043	207,130	300,000**	320,000**
	Quality: Percentage of training participants who rate the training as good or better	5%	5%	70%	70%	75%	80%	85%
	Financial: Cost of training per participant	2.5%	2.5%	500	500	350	300	300
<b>Subtotal of Weights:</b>		<b>70%</b>	<b>70%</b>					
MFO 2: Research and Development	Quantity 1: No. Number of research projects	15%	15%					
	New Completed	5% 10%	5% 10%	3 3	13 4	4 4	2** 1	2** 1
	Quality 1: Percentage of research outputs adopted by the end-users within the last three (3) years	5%	5%	51.43%	50.00%	39.22%	43.14%	46.15%
	Quantity 2: Percentage of treated trees (pegged at 1,050,888 total number of scale insect-infected trees)	2.5%	2.5%	-	-	-	80%	100%
	Quality 2: Percentage of recovering trees per treated farms	2.5%	2.5%	-	-	-	80%****	95%
<b>Subtotal of Weights:</b>		<b>25</b>	<b>25</b>					
MFO 3: Market Development and Trade Regulation	Quality : No. of market assistance extended	5%	5%	1,800	1,850	1,950	2,000	2,400
<b>Subtotal of Weights:</b>		<b>5%</b>	<b>5%</b>					
		<b>100%</b>	<b>100%</b>					

\*See formulas and data provider on Annex B  
 \*\* Dependent on budget allocation from DBM  
 \*\* 80% of KEDP sites established in 2011  
 \*\*\*\*Trees treated as of November 2013

It is understood that the PCA must achieve a weighted-average of at least 90% to be eligible to grant any Performance-Based Bonus.

4. **Strategic Initiatives.** – PCA hereby commits to undertaking the following key programs and/or projects identified as having a significant impact on its Performance Scorecard (PES Form 2) attached hereto as **Annex B**, to wit:

- (a) Strategic Initiative 1 – Participatory Coconut Planting Project;
- (b) Strategic Initiative 2 – Coconut Seedling Dispersal Project;
- (c) Strategic Initiative 3 – KANIB Enterprise Development Project (KEDP); and
- (d) Strategic Initiative 4 – Scale Insect Eradication and Containment.

The Commitment herein includes obtaining all necessary approvals, if applicable, such as those for Major Development Projects

under GCG MC No. 2013-03. PCA shall include updates on the foregoing Strategic Initiatives in its submission of quarterly monitoring reports (PES Form 3) to the GCG.

5. **Quarterly Submission of Performance Monitoring.** – PCA shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter using the monitoring report attached hereto as **Annex C**.
6. **Good Governance Conditions.** – In addition to the covered portions of the Performance Scorecard, the PCA must fully comply with the Good Governance Conditions enumerated under GCG MC No. 2013-02, namely:
  - 6.1. *Conditions common to National Government Agencies and GOCCs:*
    - (a) Transparency Seal;
    - (b) PhilGEPS Posting;
    - (c) Cash Advance Liquidation;
    - (d) Citizen's Charter or its equivalent; and
    - (e) Compliance with the submission and review requirements covering Statement of Assets, Liabilities and Net worth (SALN);<sup>1</sup>
  - 6.2. *Conditions specific to GOCCs covered by R.A. No. 10149:*
    - (a) Satisfaction of all statutory liabilities, including the payment of all taxes due to the Government, and declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable. Liabilities that are still under dispute and there has been no final and executory judgment/decision as of the date of the release of the PBB by the GOCC shall be excluded for the purpose of this provision.
    - (b) Submission and execution of concrete and time-bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any.
    - (c) Adoption of a "*Manual of Corporate Governance*" pursuant to Section 42 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs (GCG MC No. 2012-07)** that is approved by GCG and uploaded on the GOCC's website.
    - (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.

<sup>1</sup> See CIVIL SERVICE COMMISSION MEMORANDUM CIRCULAR No. 3, s. 2013.

- (e) Adoption of a **No GIFT POLICY** approved by the GCG and uploaded on the GOCC's website pursuant to Section 29 of GCG MC No. 2012-07.
7. PCA hereby undertakes to have its Performance Scorecard rated by its customers and solicit feedback on how the same may be improved. PCA shall determine the most effective method for accomplishing the said purpose. Such information shall be reported to GCG together with the quarterly monitoring report. The rating shall not affect the performance indicators/measures in PCA's Performance Scorecard, and shall be used solely as a reference by GCG and PCA during Performance Agreement Negotiations/Renegotiations.
8. Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

**DONE**, this *03 October 2013* in the City of Makati, Philippines.

**GOVERNANCE COMMISSION  
FOR GOCCs**

BY AUTHORITY OF THE COMMISSION:



**CESAR L. VILLANUEVA**  
*Chairman*

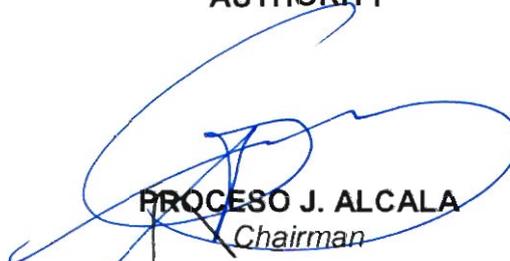


**MA. ANGELA E. IGNACIO**  
*Commissioner*



**RAINIER B. BUTALID**  
*Commissioner*

**PHILIPPINE COCONUT  
AUTHORITY**

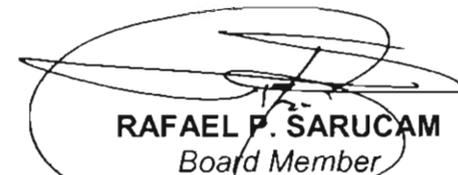


**PROCESO J. ALCALA**  
*Chairman*



**EUCLIDES G. FORBES**  
*Administrator*

**OSCAR G. GARIN**  
*Board Member*



**RAFAEL P. SARUCAM**  
*Board Member*



**MARCOS M. DUMANDAN**  
*Board Member*



**CESAR C. VILLARIBA, JR.**  
*Board Member*



# Philippine Coconut Authority (PCA)

## Interim Performance Scorecard 2013-2014

Performance Measures				Baseline Data (if available)			Targets	
Description	Weight	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014	
<b>MFO 1 : Production Support Services</b>								
<b>PI Set 1</b>	<b>Planting/Replanting of PCA recommended varieties in suitable areas</b>							
Quantity 1	Number of seedlings distributed	10%	Field Services Branch (FSB)	3.3M	3.1M	14.433M	17.5M*	19.5M*
Quantity 2	Number of farmer beneficiaries	10%		29,500	32,530	131,205	175,000*	195,000*
Quality	Survival rate of seedlings planted in the last three (3) years	5%					75	80
<b>PI Set 2</b>	<b>Fertilization of low-bearing coconut trees to increase coconut productivity</b>							
Quantity	Volume of salt fertilizers distributed (bags)	10%		552,415	314,363	792,000	843,605 *	871,200*
Timeliness	Percentage of bags of fertilizers distributed to farmers in 45 days from date of delivery by the supplier	2.5%		80	85	99	99	100
<b>PI Set 3</b>	<b>KAANIB Enterprise Development Project</b>							
Quantity	Number of KEDP sites established	10%			10	90	524*	624*
Quality	Percentage of successful adoption of coco-based enterprise	5%						80
<b>PI Set 4</b>	<b>Farmers' Education and Skills Training</b>							
Quantity 1	Number of persons provided with trainings	10%		107,415	88,043	207,130	300,000*	320,000*
Quality	Percentage of training participants who rate the training as good or better	5%		70	70	75	80	85
Financial	Cost of training per participant	2.5%		500	500	350	300	300
<b>Subtotal of Weights:</b>		<b>70%</b>						
<b>MFO 2 : Research and Development</b>								
Quantity 1	Number of research projects	15%	Research, Development and Extension Branch (RDEB)					
	New Completed	5% 10%		3 3	13 4	4 4	2* 1	2* 1
Quality 1	Percentage of research outputs adopted by the end-users within the last three (3) years	5%		51.43%	50.00%	39.22%	43.14%	46.15%

\* Dependent on budget allocation from DBM

Performance Measures			Baseline Data <i>(if available)</i>			Targets		
Description	Weight	Data Provider <i>if applicable</i>	2010	2011	2012	2013	2014	
Quantity 2	Percentage of treated trees (pegged at 1,050,888 total number of infected trees)	2.5%				80%	100%	
Quality 2	Percentage of recovering trees per treated farms	2.5%				80%**	95%	
<b>Subtotal of Weights:</b>		<b>25%</b>						
<b>MFO 3 : Market Development and Trade Regulation</b>								
Quantity	Number of market assistance extended	5%	Trade and Market Development Branch (TMDB)	1,800	1,850	1,950	2,000	2,400
<b>Subtotal of Weights:</b>		<b>5%</b>						
<b>TOTAL OF WEIGHTS:</b>		<b>100%</b>						

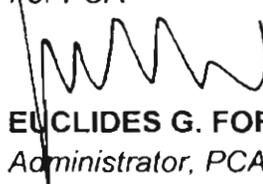
\*\*Trees treated as of November 2013

For GCG



**RAINIER B. BUTALID**  
Commissioner, GCG

For PCA



**EUCLIDES G. FORBES**  
Administrator, PCA

05 September 2013




PHILIPPINE COCONUT AUTHORITY

STRATEGIC INITIATIVES PROFILE

INITIATIVES UNDER MFO 1\*

I. STRATEGIC INITIATIVE 1

1. **Name of Project** : Participatory Coconut Planting Project
2. **Contact Person/  
Project Team Head** : Mr. Roel M. Rosales, Deputy Administrator for Field Services Branch
3. **Project Description** : This project adopts a participatory and cash reward program approaches to promote massive coconut planting and replanting in the different areas of the country.

4. **Milestones**

Activities	Timeline		Budget*	Funding Source	Status
	Start	End			
1. Seednuts sowing	January 2013	June 2013	P502.31M	GAA	Done
2. Masterlisting of participants who have actually sown the seednuts (Option 1)	January 2013	June 2013			Done
3. Masterlisting of participants who opted to participate under Phase II only (Option II)	January 2013	June 2013			Done
4. Farmers' training	January 2013	July 2013			Done
5. Payment and liquidation of cash incentives (Phase I)	April 2013	December 2013			On-going
6. Transplanting of seedlings and field inspection and validation	June 2013	December 2013			On-going
7. Payment and liquidation of cash incentives (Phase II)	July 2013	December 2013			On-going
<b>Total (Strategic Initiatives 1 and 2)</b>			<b>P502.31M</b>		

II. STRATEGIC INITIATIVE 2

1. **Name of Project** : Coconut Seedling Dispersal Project
2. **Contact Person/  
Project Team Head** : Mr. Roel M. Rosales, Deputy Administrator for Field Services Branch
3. **Project Description** : It involves coconut seedfarm establishment, development of new coconut plantation sites and the replanting of existing coconut farms in tandem with the LGUs, industry sector and other government agencies, i.e., DA, DAR and DSWD, among others.

4. **Milestones**

\* Same timelines for 2014

Activities	Timeline		Budget*	Funding Source	Status
	Start	End			
1. Masterlisting of participants	January 2013	May 2013	P502.31M	GAA/ Locally funded	Done
2. Seednuts/seedlings procurement planning	January 2013	February 2013			Done
3. Execution of MOA	January 2013	May 2013			Done
4. Registration of seednuts seedlings producers/ suppliers	January 2013	March 2013			Done
5. Procurement of seednuts/seedlings (Phase I)	January 2013	February 2013			Done
6. Procurement of seedlings/seedlings (Phase II)	April 2013	Dec. 2013			On-going
7. Farmers' Training	January 2013	Dec 2013			On-going
8. Distribution and Transplanting of Seedlings	May 2013	December 2013			On-going
<b>Total (Strategic Initiatives 1 and 2)</b>			<b>P502.31M</b>		

### III. STRATEGIC INITIATIVE 3

1. **Name of Project** : KAAINIB Enterprise Development Project (KEDP)
2. **Contact Person/  
Project Team Head** : Mr. Roel M. Rosales, Deputy Administrator for Field Services Branch
3. **Project Description** : The project aims to promote and institutionalize coconut-based enterprises through an integrated resource-service convergence approach to increase farm productivity and incomes of the small coconut farming communities.

#### 4. Milestones

Activities	Timeline		Budget	Funding Source	Status
	Start	End			
1. KEDP Processing a. Community Profiling b. Coconut-based organization (CBO)/ Micro Small Medium Enterprises (MSMEs) Identification c. Briefing/Orientation d. Selection of Participants and Baseline Survey e. Identification and Planning of KAAINIB enterprises f. Preparation of Business Plan g. Signing of the Deed of Undertaking by the CBO and/or MSME h. Organizational Enhancement	January 2013	March 2013	P463.99M	GAA/ Locally funded	Done
2. Development and Management of KAAINIB site a. Coconut Intercropping	April 2013	December 2013			On-going

\* Same timelines for 2014

b. Livestock Raising under Coconut c. Coconut Processing/Value-Adding				
3. Development of Support System a. Resource Mobilization b. Access to Appropriate and Low-cost Village-Level Machineries and Equipment c. Access to capital and markets d. Conduct of appropriate training e. Project launching and farmers' field day	April 2013	December 2013		On-going
4. Procurement of Agri-Inputs and Machineries and Equipment	April 2013	December 2013		On-going
5. Monitoring and Evaluation	January 2013	December 2013		On-going
<b>Total</b>			<b>₱463.99M</b>	

## INITIATIVES UNDER MFO 2

### IV. STRATEGIC INITIATIVE 4

1. **Name of Project** : Scale Insect Eradication and Containment
2. **Contact Person/ Project Team Head** : Mr. Carlos B. Carpio, Deputy Administrator for Research, Development and Extension Branch
3. **Project Description** : Scale insect eradication and containment through the use of biological control and chemical spraying, pruning, fertilization, cutting and burning.
4. **Milestones** :

Activities	Timeline		Budget	Funding Source	Status		
	Start	End					
1. Caravans conducted to promote awareness of scale insect infestations	January 2013	June 2013			On-going		
2. Securing authorization from farm owner for intervention in scale-insect infestations					On-going		
3. Spraying via power sprayers with mixture of cochineal oil, dishwashing solution and water	January 2013	December 2013	₱16.4M	Corporate funds	On-going		
4. Pruning			₱2.9M	PCARDD	On-going		
5. Fertilization			On-going				
6. Cutting and burning			On-going				
7. Biological control			On-going				
8. Quarantine measures			On-going				
<b>Total</b>			<b>₱19.3M</b>				

PHILIPPINE COCONUT AUTHORITY

MONITORING REPORT OF PERFORMANCE TARGETS

Description	Formula	Weight	Rating/ Score	Baseline 2012	2013								
					1st Quarter		2nd Quarter		Revised Full Year Target	3rd Quarter		4th Quarter	
					Target	Actual	Target	Actual		Target	Actual	Target	Actual
<b>MFO 1: Production Support Services</b>													
<b>PI Set 1 : Planting/ Replanting of PCA recommended varieties in suitable areas</b>													
<b>Quantity 1:</b> No. of seedlings distributed	Total no. of seedlings distributed	10%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.10$	14.433M									
<b>Quantity 2:</b> No. of farmer beneficiaries	Total no. of famer beneficiaries	10%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.10$	131,205									
<b>Quality:</b> Survival rate of seedlings planted in the last three (3) years	$\frac{\text{Total no. of seedlings stabilized}}{\text{Total no. of seedlings planted}}$	5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	-									
<b>PI Set 2: Fertilization of low-bearing coconut trees to increase coconut productivity</b>													
<b>Quantity:</b> Volume of salt fertilizers distributed (bags)	Total no. of fertilizers distributed	10%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.10$	792,000									
<b>Quality:</b> Percentage of bags of fertilizers distributed to farmers in 45 days from date of delivery by the supplier	$\frac{\text{No. of bags delivered within 45 days}}{\text{Total no. of bags distributed}}$	2.5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.025$	99%									
<b>PI Set 3: KANIB Enterprise Development Project (KEDP)</b>													
<b>Quantity:</b> No. of KEDP sites established	Total no. of KEDP sites established	15%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.15$	90									
<b>PI Set 4: Farmers' Education and Skills Training</b>													
<b>Quantity:</b> No. of persons provided with trainings	Total no. of training participants	10%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.10$	207,130									
<b>Quality:</b> % of training participants who rate the training	$\frac{\text{No of participants who rate the training good/better}}{\text{Total no. of training participants}}$	5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	75%									

Description	Formula	Weight	Rating/ Score	Baseline	2013									
					1st Quarter		2nd Quarter		Revised Full Year Target	3rd Quarter		4th Quarter		
				2012	Target	Actual	Target	Actual		Target	Actual	Target	Actual	
as good or better	Total no. of training participants													
<b>Financial:</b> Cost of training per participant	$\frac{\text{Training cost}}{\text{Total no. of training participants}}$	2.5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.025$	350										
<b>Subtotal of weights and ratings:</b>		<b>70%</b>												
<b>MFO 2: Research and Development</b>														
<b>Quantity 1:</b> No. of research projects New	Total no. of research projects	5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	4										
Completed		10%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	4										
<b>Quality 1:</b> % of research outputs adopted by the end-users within the last three (3) years	$\frac{\text{No. of adopted research projects}}{\text{Total no. of research projects (last 3 yrs)}}$	5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	39.22%										
<b>Quantity 2:</b> % of treated trees (pegged at 1,050,888 total number of infected trees)	$\frac{\text{No. of treated trees}}{1,050,888}$	2.5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	-										
<b>Quality 2:</b> % of recovering trees per treated farms	$\frac{\text{No. of recovering trees}}{\text{No. of treated trees per farm}}$	2.5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	-										
<b>Subtotal of weights and ratings:</b>		<b>25%</b>												
<b>MFO 3: Market Development and Trade Regulation</b>														
<b>Quality:</b> No. of market assistance extended	Total no. of market assistance extended	5%	$\frac{\text{Actual}}{\text{Target}} \times 100 \times 0.05$	1,950										
<b>Subtotal of weights and ratings:</b>		<b>5%</b>												
<b>TOTAL OF WEIGHTS AND RATINGS:</b>		<b>100%</b>												