

**PHILIPPINE PORTS AUTHORITY  
MONITORING REPORT OF PERFORMANCE TARGETS  
AS OF DECEMBER 2016**

	PAN AGREEMENT						ACTUAL ACCOMPLISHMENTS	REMARKS	TENTATIVE RATING (As of December 2016)	
	Component									
	Objective/Measure	Weight	Rating Scale	Formula	Baseline 2015	Full Year Target 2016	January to December 2016			
<b>SOCIAL IMPACT</b>	<b>SO 1</b>	<b>Contribute Significantly to Increased Trade and Tourism</b>								
	SM 1	% Increase in Cargo Throughput (in Million Metric Tons/Annum)	1.0%		Absolute Figure	8.83% (224)	-1.78% (220)	246.994 (23.322MMT or 10.43% Increase)	1.0000%	
	SM 2	% Increase in Number of Vessels (in Thousands)	2.0%		Absolute Figure	8.81% (395)	-8.86% (360)	432.367 (37.272 or 9.43% Increase)	2.0000%	
	SM 3	% Increase in Passengers (in Million)	2.0%		Absolute Figure	12.06% (62.74)	0.41% (63)	68.844 (6.081 or 9.69% Increase)	2.0000%	
		<b>Sub-total</b>	<b>5.0%</b>						<b>5.0%</b>	
	<b>SO 2</b>	<b>Enhance Accessibility Through Seamless Connectivity with Other Transport Modes</b>								
	SM 4	Institutional Support to Social Reform Projects to Promote Tourism and Economic Development Agenda of Government <sup>1</sup>	7.5%		Percent completion of DOTC approved Tourism and Social Reform-Related Port Projects bidded-out in 2016	N/A	100%	Performance Negotiation took place on 07 September 2015 during which period the mechanics of downloading of funds for the projects were still unclear. During the latter part of 2015, the DOTr ordered PPA to fast-track the procurement process of port projects, thus, the bidding and award for 24 projects were achieved in late November and in December 2015. The remaining 10 projects were bid out in 2016. Of the total 47 port projects, 34 projects have already been bid out while 13 are still pending with the DOTr with either funding or Program of Work (POW) still being evaluated/reviewed.	This has been requested for renegotiation due to the pending requests for downloading of funds from the DOTr and projects which still have issues with POW preparation, evaluation, and approval.	7.5000%
	SM 5	Future Proofing Gateway Ports <sup>2</sup>	5.0%		% Completion of additional ports with modern container handling facilities (Iloilo & Cagayan de Oro)	5 ports + Completed Structural Investigation for Iloilo, CDO, Gen Santos, Zamboanga	20% per schedule of Civil Works (General Santos and Iloilo)	As of December Port of Iloilo is 64.54% complete while Port of Gen. Santos is 49.83% complete. In addition, for the Port of Zamboanga, completion rate is 32.53%.		5.0000%
		<b>Sub-total</b>	<b>12.5%</b>							<b>12.5%</b>
	<b>FINANCIAL</b>	<b>SO 3</b>	<b>Become Financially Sufficient to Support its Development Program</b>							
SM 6		Percent Increase in Port Revenue	10.0%		Percent	Php13.287B (5.72%)	Php12.692B (-4.47%)	Php14.228 billion (Php1.031 billion or 7.81% Increase)	10.0000%	
SM 7		Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	0.0%		Amount	Php 8.499 Billion	Php 5.047 Billion	Php9.280 billion EBITDA as of yearend.	0.0000%	
		<b>Sub-total</b>	<b>10.0%</b>							<b>10.0%</b>

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STAKEHOLDERS	SO 4	<b>Optimize Stakeholders' Satisfaction</b>								
	SM 8	Number of Ports with Certificate of Compliance with Recognition Requirements for Port Safety, Health and Environment Management System (PSHEMS) Issued by the Partnership in Environmental Management of Seas in East Asia (PEMSEA)	5.0%		Number of Ports	4	6 (+2 Ports: Zamboanga and Ozamiz)	Sixteen (16) ports completed Internal Audit with QMS. This project was renegotiated from IMS certification to the completion of QMS Internal Audit of fourteen (14) ports.	This has been requested for renegotiation due to shift to Integrated Management System (combination of QMS and PSHEMS). In lieu of this commitment, PPA proposed for the completion of Internal Audit for QMS certification of 14 remaining uncertified ports (Lamao, Tagbilaran, Lucena, San Fernando, Tacloban, Dumaguete, Ormoc, Calapan, Nasipit, Surigao, Cotabato, Dapitan, Pulupandan, and Iligan)	5.0000%
	SM 9	Attainment of Minimum Satisfactory Rating on the Port Users' Needs and Satisfaction Survey (PUNSS)	5.0%		Rating Based on Survey Result	Service Quality Index Rating of 3.92 (Satisfactory)	Minimum Service Quality Index Rating of 3.75 (Satisfactory)	Overall Port Users' Annual Satisfaction Survey (PASS) Rating is 3.79%. Passenger Satisfaction Rating is 3.76% (5.45% Increase from 2015) while that for Shipping Lines is 3.81% (0.65% Increase).		5.0000%
		<b>Sub-total</b>	<b>10.0%</b>							<b>10.0%</b>
INTERNAL PROCESS	SO 5	<b>Be Recognized For its International Best Practices on its Core Processes</b>								
	SM 10	a. Increasing the Productivity of Ro-Ro Operations	5.0%		Ave. No. of Ro-Ro Units/Net Ship-Hour (Total No. of Ro-Ro Units per Vessel/Net Service Time per Vessel) in top 20 Ro-Ro ports operating 12 hours for 365 days	30-35 Vehicles	35-40 Vehicles	Average Ro-Ro productivity as of yearend is 47.13 Ro-Ro units per net ship hour.		5.0000%
	SM 11	b. Increase in Sites with Transport Connectivity Enhanced Through the Provision of Ro-Ro Ramp <sup>13</sup>	7.5%		Increase in Sites with Transport Connectivity Enhanced Through the Provision of Ro-Ro Ramp	(+12) (cumulative=150)	(+7) (cumulative=157)	Completed thirteen (13) Ro-Ro Ramps at the Ports of San Jose (Caminawit); Jagna (Bohol); Balancan (Marinduque); Maguino-o (Calbayog); Dapitan (Zamboanga del Norte); Romblon (Romblon); San Agustin (Romblon); Hayanggabon (Surigao del Norte); Sogod (Southern Leyte); Jasaan (Misamis Oriental); and, Bulalacao (Oriental Mindoro). Other Ro-Ro Ramp projects were the Extension of Ro-Ro Ramp and Rehabilitation of Ro-Ro Ramp at the Ports of Dingalan (Aurora); Iligan (Lanao del Norte), respectively.		7.5000%

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INTERNAL PROCESS	SM 12	Increasing the Productivity of Container Operations	5.0%		Ave. No. of Boxes/Net Ship-Hour (Total No. of Boxes per Vessel/Net Service Time per Vessel) in Manila-based ports	17-20 (MICT,SH & NH) Boxes	20-25 (MICT, SH & NH) boxes	Average container productivity as of yearend is 26.74 boxes per net ship hour.	5.0000%
	SM 13	Increasing the Productivity in Break Bulk Operations	5.0%		Ave. No. of Tons/Net Ship-Hour (Total Metric Tons per Vessel/Net Service Time per Vessel) in 23 baseports	65-70 Metric Tons	70-75 Metric Tons	Average breakbulk productivity is 72.43 metric tons per net ship hour	5.0000%
	SM 14	Passenger Terminal Buildings (PTBs) for Privatization <sup>14</sup>	5.0%		Number of PTBs privatized	17	(+5) 22 (cumulative)	PPA executed a 5-year Contract of Lease, Management, Operation and Maintenance of the PTBs at the Ports of Legazpi (29 Jan. 2016), Pio Duran (01 April 2016), Tubigon (13 Apr. 2016), Iloilo Fastcraft Terminal (15 Apr. 2016), Port of Larena (05 May 2016), Dumaguete (05 May 2016), Guihulngan (04 July 2016), and Tagbilaran (03 Oct. 2016).	5.0000%
	SM 15	Number of Ports Established with Vessel Traffic Management System (VTMS)	5.0%		Number of ports with established VTMS	2 (North Harbor and Batangas) 4 VTMS in 2015 for Renegotiation	4 (contracts awarded for 4 VTMS in Roxas-Orr. Mindoro, Iloilo, Davao & Zamboanga)	The PITC has not yet been successful on the procurement of the four (4) new VTMS facilities for Roxas, Iloilo, Davao, and Zamboanga. The implementation of the VTMS Project may have to be considered in-house by 2017.	This has been requested for renegotiation since PITC to date has been unable to successfully bid out the VTMS for the four (4) identified ports.
	SM 16	Number of Ports with Automatic Identification System (AIS)	5.0%		Number of baseports with AIS	1 (Surigao)	5 (Puerto Princesa, Ormoc, Cagayan de Oro, Iligan & Gen. Santos)	As of December, baseports with installed AIS are Ormoc, Cagayan de Oro, Iligan and Gen. Santos. For Puerto Princesa, NOA and NTP were forwarded to Contractor on 22 December 2016. Awaiting for the go signal from the National Telecommunications Commission for the installation of the system.	4.0000%

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INTERNAL PROCESS	SM 17	Upgrading of Enterprise Strategy Program through the optimal use of technology <sup>15</sup>	5.0%		Percent	N/A	Upgraded PPA-wide information infrastructure	As of December, equipment has already been upgraded and those that reached end-of-life have been replaced. PPA also accomplished the following during the year: (1) Set-up Virtual Machines and deployed an application on Azure; (2) Set-up and configured Production Environments; (3) Conducted Inventory of PPA Hardware and Software Components; (4) Backed-up image of servers in virtualized environment in order to make the migration to the new servers faster and easier; and, (5) Virtualized Servers delivered by iOne and used as Production Servers for in-house applications. Other accomplishments are as follows: internet connection speed has been raised to 120Mbps from 6Mbps; wi-fi connection and Firewall UTM installed at Head Office; installed, working, and in use Networking Platform, Servers, and IPPBX and Media Gateway Equipment; and, installed 5Mbps IPVPN Links and Branch Routers in remote sites.		5.0000%
	SM 18	Percentage Compliance with the Requirements for Certification on Core Processes for PPA Head Office	5.0%		Percentage Completion	N/A	100% completed all requirements for ISO certification	Finalized and released Policy and Procedures Manual. Symbolic Launching of ISO 9001:2015 Quality Standard was simultaneously conducted at the Head Office and 16 Ports between 11-14 October 2016. Internal Audit was likewise completed in December.	This has been requested for renegotiation because of the advice of the certifying body to migrate to the latest version from ISO 9001:2008 to ISO 9001:2015. Target for 2016 was completion of Internal Audit.	5.0000%
		<b>Sub-total</b>	<b>47.5%</b>							
INTERNAL PROCESS	<b>SO 6</b>	<b>Strengthen Regulatory Regime that will Promote Healthy Competition and Efficient Operations</b>								
	SM 19	% Completion of Inventory and Mapping of Ports In Relation to New Terminal Management Operation and Service Policy	5.0%		% Completion for all manned ports with traffic	N/A	100%	Tier Mapping/Classification of Ports in relation to New Terminal Management Operation is completed in October.		5.0000%

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INTERNAL PROCESS	SM 20	% Completion of Policy Reform on Interim Delineation of Regulatory from Operations Functions	5.0%		% Completion	N/A	50% (Board Approved Policy)	During the year, PPA is awaiting the policy guideline on this matter and is prepared to commence the process of implementation of this reform upon issuance of the policy by proper authorities.	
	<b>Sub-total</b>		<b>10.0%</b>						<b>5.0%</b>
LEARNING AND GROWTH	<b>SO 7</b>	<b>Raise Employee Competence to Global Standards</b>							
	SM 21	Number of Graduates on Master of Science in Maritime Affairs at the World Maritime University (WMU)	5.0%		Number of PPA Graduates	N/A	4	Four (4) PPA employees completed the Master of Science in Maritime Affairs (Port Management Course) at the World Maritime University and graduated on October 30, 2016.	5.0000%
	SM 22	Number of Graduates on Modern Port Management Course Duty Accredited by International Institutions (UNCTAD)	0.0%		Number	18 Students	Completion of 3 modules only by 12 PPA students)	Twenty (20) students completed Modules 1 to 4 on UNCTAD TrainforTrade Port Training Programme on Modern Port Management Course.	0.0000%
	<b>Sub-total</b>		<b>5.0%</b>						<b>5.0%</b>
<b>Total Weight<sup>6</sup></b>			<b>90.0%</b>				<b>Total</b>		<b>89.0%</b>
							<b>Total Weight<sup>6</sup></b>		<b>90.0%</b>
							<b>RATING</b>		<b>98.9%</b>

**Notes**

<sup>/1</sup> - The completion of the Tourism and Social Reform-Related projects is subject to DOTC approval and funding. DOTr is only able to facilitate downloading to PPA of 34 projects. This has been requested for renegotiation.

<sup>/2</sup> - Future Proofing gateway ports includes the ports of (a) General Santos and (b) Iloilo

<sup>/3 & /4</sup> - Substitution of Ro-Ro Ramp and PTBs will be applied in cases where bidding issues occur.

<sup>/5</sup> - Enterprise Strategy Program is composed of (a) PPA Managed Network Services for Voice, Video and Data Communications and (b) Replacement of End-of-Life (EOL) Servers

<sup>/6</sup> - Total weight of 90.00% is due to the exclusion of SM 15 and SM 20 which both have zero points due to non-accomplishment of PITC (SM 15) and non-issuance by GCG of Delineation of Role Policy (SM 20). Items requested for renegotiation were SM 4, SM 8, SM 15, and SM 18.