



**01 March 2021**

**PDDG. REYNALDO V. VELASCO (RET.)**

*Chairperson*

**LT. GEN. EMMANUEL B. SALAMAT (RET.)**

*Administrator*

**METROPOLITAN WATERWORKS AND SEWERAGE  
 SYSTEM – CORPORATE OFFICE (MWSS-CO)**

MWSS Complex, 489 Katipunan Road  
 Balara, Quezon City

**RE : REVALIDATION OF 2019 PERFORMANCE SCORE**

Dear Chairperson Velasco and Admin. Salamat,

This refers to MWSS-CO's letter dated 20 September 2020,<sup>1</sup> appealing the overall score of 82.63% given by the GCG for the MWSS-CO'S 2019 Performance Scorecard. Specifically, MWSS-CO requested that "the zero scores that were given to SM 8 - Information Systems Strategic Plan (ISSP) and SM [11] - Settlement of NG advances, be reconsidered."

After review and evaluation of MWSS-CO's submissions, and further taking into consideration the letter from the DOF dated 03 August 2020 on the *Status of GOCCs Compliance to Dividends and NG Advances* wherein MWSS-CO was listed as compliant on the payment of NG Advances as of 31 December 2019, as well as the subsequent inputs of the officers from the DOF-CAG, the remarks on the Strategic Measure on Settlement of NG Advances is revised as follows:

No.	Measure	Weight	GCG Revalidation		
			Actual	Rating	Remarks
SO 5 SM 11	Settlement of NG Advances	10.00%	-	-	Measure Excluded.  The basis for payment in February 2020 was validated and with subsequent clearance on the payment of NG Advances as of 31 December 2019 issued by the DOF.

Relative to the requested reconsideration of SM 8 on the ISSP, however, the original finding of the Governance Commission is retained. This is considering the circumstances presented by MWSS-CO cannot be considered unforeseen during the Technical Panel Meeting (TPM) convened on 02 October 2018 that warrant exclusion of the target.

<sup>1</sup> Officially received by the Governance Commission 23 September 2020.

Accordingly, we transmit herewith the revalidated 2019 Performance Scorecard of MWSS-CO, with a revalidated rating of **94.43%** (See **Annex A**). The same is to be posted on MWSS-CO's website, in accordance with Section 43 of GCG Memorandum Circular No. 2012-07.

In relation to the grant of 2019 PBB to eligible officers and employees, MWSS-CO can grant such incentive only upon receipt of confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149.<sup>2</sup>

**FOR MWSS-CO'S INFORMATION AND GUIDANCE.**

Very truly yours,

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<sup>2</sup> GOCC Governance Act of 2011.

**METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM – CORPORATE OFFICE (MWSS-CO)  
Revalidated 2019 Performance Scorecard**

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	2019	Actual	Rating	Score	Rating				
<b>SOCIAL IMPACT</b>	<b>SO 1</b>	<b>Ensure Sustainability of Water Supply</b>									
	SM 1	Water Supply Capacity	Total water capacity of all systems (MLD)	0%	NA	4,610.89 MLD	0%	4,440.89	0%	<ul style="list-style-type: none"> <li>• Current Water Supply submitted on 8 August 2020</li> </ul>	No weight assigned considering no new water sources would be completed in 2019.
	SM 2	Reforestation of the Angat, Ipo, La Mesa Watershed Areas	Number of trees nurtured and planted	2%	1 Million trees planted	925,102 trees	2%	1,026,999 trees	2%	<ul style="list-style-type: none"> <li>• Official Accomplishment Reports from Partner Organizations</li> <li>• Summary of AMTC reports</li> </ul>	The organizations that planted the most trees were: <ul style="list-style-type: none"> <li>• DENR R3 – 232,997</li> <li>• MWCI – 210,000</li> <li>• LLDA – 156,015</li> <li>• DENR NCR – 125,964</li> </ul>
	Sub-total			2%			2%		2%		
<b>CUSTOMERS/ STAKEHOLDERS</b>	<b>SO 2</b>	<b>Ensure Customer Satisfaction in MWSS Service Delivery</b>									
	SM 3	Percentage of Satisfied Customers	Number of respondents which gave <i>at least</i> a Satisfactory rating / Total number of respondents	5%	90%	100%	5%	100%	5%	<ul style="list-style-type: none"> <li>• Final Report of Customer Satisfaction Survey for 2019 by UP CIFAL Philippines</li> </ul>	100% of respondents gave at least a satisfactory rating.  Compliant with the prescribed Standard Methodology on the conduct of CSS.
	Sub-total			5%			5%		5%		

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	2019	Actual	Rating	Score	Rating				
INTERNAL PROCESS	SO 3	Ensure Continued Water Security Legacy Framework									
		Construction of Major Infrastructure Projects									
	SM 4	a. New Centennial Water Supply Source Project (NCWSP)	Milestone	(18%)	Management-Approved Detailed Engineering Design	ECC was issued on 11 Oct 2019 so the NTP was only issued on 13 Nov 2019	0%	ECC was issued on 11 Oct 2019 so the NTP was only issued on 13 Nov 2019	-	<ul style="list-style-type: none"> <li>ECC dated 11 Oct. 2019</li> <li>2019 Accomplishments on Implementation of NCWSP-KDP</li> </ul>	<i>Measure excluded.</i> Application for the ECC submitted in 2017 but was issued only on 11 October 2019.
		b. Bulacan Bulk Water Supply Project (BBWSP)	Completion of Stages 1 and 2 until April 2019	18%	Timely completion of Stages 1 and 2	Both project stages were completed ahead of target schedule	18%	Timely completion of Stages 1 and 2	18%	<ul style="list-style-type: none"> <li>Certificates of Final Acceptance of Stage 1 and 2</li> </ul>	Stages 1 and 2 were completed as shown in the Certificates of Final Acceptance dated 24 Jan. 2019 and 25 Apr. 2019, respectively.
		c. Angat Water Transmission Improvement Project (AWTIP)	Percentage of construction work based on project timeline accomplished	18%	95.59% Physical Accomplishment Construction Work	97.82%	18%	98.59% Physical Accomplishment of Construction Work	18%	<ul style="list-style-type: none"> <li>Quarterly Progress Report from DOHWA Engineering Co. Ltd. for Oct.-Dec. 2019</li> </ul>	The project construction is ahead of schedule.
	SM 5	Bigte-Novaliches Aqueduct No. 7	Milestone	7%	Submission to NEDA-ICC of documentary requirements	Documentary requirements submitted to NEDA-ICC which approved the project .	7%	Submission to NEDA-ICC of documentary requirements	7%	<ul style="list-style-type: none"> <li>NEDA letter to MWSS-CO approving the project dated 10 Oct. 2019</li> </ul>	NEDA approved the project on 10 Oct. 2019.
	SM 6	Construction of Ipo Dam 3	Milestone	(2%)	Approved Feasibility Study	The contract was extended until April 2020	0%	Accomplishment for the FS was at 85.67% as of 31 March 2020.	-	<ul style="list-style-type: none"> <li>Amendment No. 3 to the Contract Agreement</li> <li>Progress Report</li> </ul>	<i>Measure excluded.</i> Contract was extended by the NEDA until April 2020.
		Sub-total	63%			43%		43%			

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	2019	Actual	Rating	Score	Rating				
LEARNING AND GROWTH	SO 4	Nurture a More Efficient and Effective Workforce									
	SM 7	Percentage of Employees Meeting Required Competencies	Percentage increase from 2018 of Employees meeting the required competencies	2%	10% improvement from the 2018 baseline	1.88%	0%	5.5%	1.1%	<ul style="list-style-type: none"> <li>Handbook on Competency (2017)</li> <li>Sample assessment forms</li> </ul>	Out of the 109 total employees, only six (6) employees met the required competencies of their positions.
	SM 8	Information Systems Strategic Plan (ISSP)	Milestones	3%	Design and Development of a Financial Information Management System and HR Information System, and Adoption of Document Management System	-	0%	-	0%	<ul style="list-style-type: none"> <li>Timeline of activities for NITIF, AMIS, and DMS</li> <li>MWSS-CO Letter dated 20 Sep 2020</li> </ul>	<p><i>Out of 18 information systems proposed for implementation by the MWSS, only the AMIS was approved by DICT. MWSS received the DICT clearance on 28 September 2018, or a month after MWSS submitted to GCG its proposed 2019 PES.</i></p> <p><i>However, considering the TPM between the GCG and MWSS-CO was convened on 02 October 2018, the foregoing cannot be considered unforeseen circumstances during the TPM that warrant exclusion of the target.</i></p>

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks															
Objective/Measure		Formula	Wt.	2019	Actual	Rating	Score	Rating																	
SM 9	ISO 9001:2015 Certification	Milestone	5%	Passed Surveillance Audit	Passed Surveillance Audit	5%	Passed Surveillance Audit	5%	<ul style="list-style-type: none"> <li>ISO Attestation by SOCOTEC dated 03 December 2019</li> </ul>	The scope of the certification was "Public Administration covering Project Management Process and the Facilitation of the Project Management Approval Process."															
Sub-total			10%			5%		6.1%																	
<b>SO 5 Ensure Sound Financial Management</b>																									
FINANCE	SM 10	EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization	10%	₱546.69 Million	₱855.20 M	10%	₱963.41	10%	<ul style="list-style-type: none"> <li>MWSS-CO COA-received FS</li> <li>MWSS-CO EBITDA Schedule</li> </ul>	<table border="1"> <tr><td>Concession</td><td>₱977.60</td></tr> <tr><td>Raw Water</td><td>83.83</td></tr> <tr><td>Rent</td><td>127.85</td></tr> <tr><td>Other Income</td><td>146.54</td></tr> <tr><td>PS Cost</td><td>(126.04)</td></tr> <tr><td>MOOE*</td><td>(236.37)</td></tr> <tr><td>EBITDA</td><td>₱973.41</td></tr> </table>	Concession	₱977.60	Raw Water	83.83	Rent	127.85	Other Income	146.54	PS Cost	(126.04)	MOOE*	(236.37)	EBITDA	₱973.41
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SM 11	Settlement of NG Advances	Amount collected over loan balance	(10%)	Collection of full loan balance from concessionaires	₱1.11 Million was remitted on 20 Feb 2020	0%	-	-	<ul style="list-style-type: none"> <li>Acknowledgement of payment by BTr</li> <li>MWSS-CO letter to DOF</li> <li>Receipts dated 20 February 2020</li> <li>DOF Letter re: Status of GOCCs Compliance to Dividends and NG Advances</li> </ul>	Measure Excluded. The basis for payment in February 2020 was validated and with subsequent clearance on the payment of NG Advances as of 31 December 2019 issued by the DOF.															
Sub-total			20%			10%		10%																	
<b>TOTAL WEIGHTS EXCLUDED WEIGHTS</b>			<b>100% (30%)</b>			<b>65%</b>		<b>66.1%</b>																	
<b>VALIDATED TOTAL</b>			<b>70%</b>					<b>66.1 / 70 = 94.43%</b>																	