



## 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 -

TOURISM INFRASTRUCTURE AND ENTERPRISE ZONE AUTHORITY  
(TIEZA)

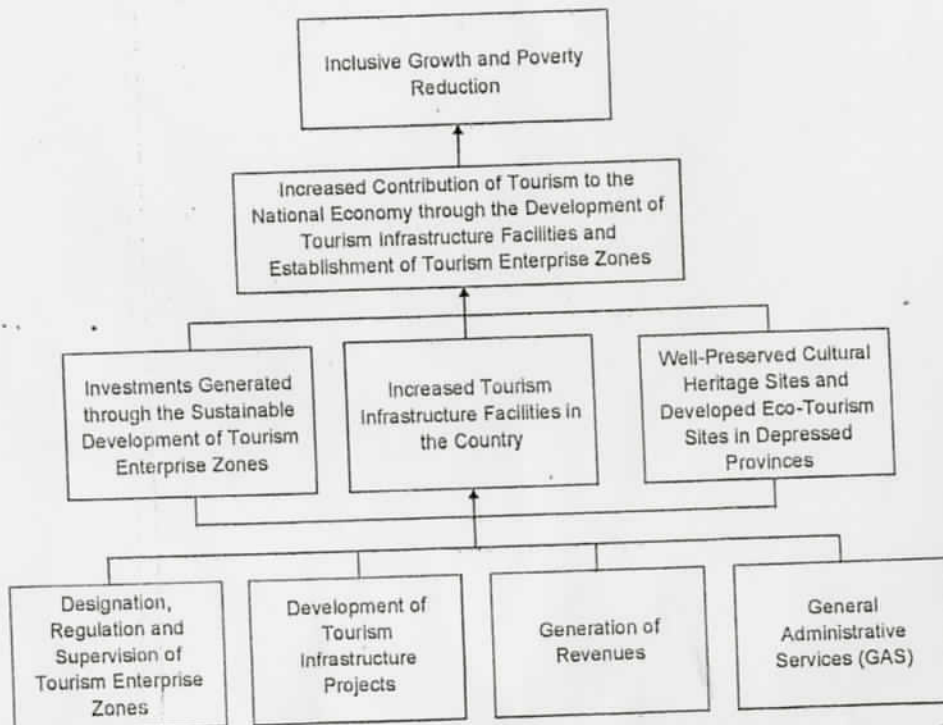
WITNESSETH: THAT –

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.** – TIEZA's Charter Statement and OPIF Logframe for the Period specified in Section 1 hereof, shall be as follows:

**Mission:** To act as the catalyst for inclusive growth through the establishment of sustainable tourism enterprise zones and infrastructure projects.

**Vision:** An excellence-driven organization at the forefront of sustainable tourism development by 2020.



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

MFO	Performance Indicator	Weight		Baseline	Annual Targets	
		2013	2014	2012	2013	2014
MFO 1: Designation, Regulation and Supervision of TEZs	Quantity: Number of successfully awarded Master Plan contract for public TEZs	15%	15%	N/A	1	1
	Timeliness: No. of days from Board Approval to the formal award of the Master Plan contract	5%	5%	90 calendar days	90 calendar days	85 calendar days
<b>Subtotal of Weights:</b>		<b>20%</b>	<b>20%</b>			
MFO 2: Development of Tourism Infrastructure Projects	Quantity 1 : No. of depressed provinces vetted to determine ecotourism sites with strong tourism potential	7%	7%	N/A	32% (12 of 38 Depressed Provinces)	68% (26 of 38 Depressed Provinces)
	Quantity 2: Allocate 5% of Travel Tax share of TIEZA to specific ecotourism projects in Depressed Provinces with strong tourism potential as formally approved by the Board	5%	5%	94% of 5% (P78.5 Mn)	100% of 5% (P88 Mn)	100% of 5% (P88.7 Mn)
	Quantity 3: Allocate 5% of Travel Tax share of TIEZA to the restoration of Historical, Cultural, Religious and Heritage Sites as approved by the Board	5%	5%	68% of 5% (P57.1 Mn)	100% of 5% (P88 Mn)	100% of 5% (P88.7 Mn)
	Quantity 4: Allocate 50% of total revenues for specific tourism infrastructure projects as approved by the Board	8%	8%	60% of 50% (P663.06 Mn)	100% of 50% (P1.101 Bn)	100% of 50% (P1.114 Bn)
	Timeliness 1 : Percentage of approved infrastructure projects completed on schedule	5%	5%	95%	97%	100%
	Timeliness 2 : Percentage of Technical Report completed within 5 days	5%	5%	90%	93%	95%
	<b>Subtotal of Weights:</b>		<b>35%</b>	<b>35%</b>		
MFO 3: Generation of Revenues	Quality : Decrease in subsidies for operating entities	7%	7%	(P36.8 Mn) - P7.7 Mn	(P24.3 Mn) - P12.5Mn	(P16.1 Mn) - P8.2 Mn
	Timeliness 1 : Percentage of Travel Tax payment processed within 2.5 minutes	7%	7%	96%	97%	98%
	Timeliness 2 : Percentage of Travel Tax Exemption Certificates processed within 4 minutes	7%	7%	96%	97%	98%
	Timeliness 3 : Percentage of Reduced Travel Tax Certificates processed within 5 minutes	7%	7%	96%	97%	98%
	Financial : Increase in sales revenues from Operating Entities	7%	7%	P87.1 Mn	P105 Mn	P110 Mn
<b>Subtotal of Weights:</b>		<b>35%</b>	<b>35%</b>			

MFO	Performance Indicator	Weight		Baseline	Annual Targets	
		2013	2014	2012	2013	2014
General Administrative Services (GAS)	Quantity 1 : Percentage of systems (AFIS, AEIS, AMIS, TEZIS) integrated	2%	5%	18% (2 out of 11 systems)	27% (3 out of 11 systems)	45% (5 out of 11 systems)
	Quantity 2 : ISO certifications of 3 core processes (Asset Management, Travel Tax Collection, Infrastructure) achieved	3%	N/A	N/A	3	NA
	Quantity 3 : Percentage of Travel Tax Airport/Satellite Offices linked	5%	5%	0% (0 out of 21)	15% (3 out of 21)	40% (8 out of 21)
<b>Subtotal of Weights:</b>		<b>10%</b>	<b>10%</b>			

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

4. **Strategic Initiatives.** – TIEZA 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 – Investment Development Program (IDP)
- (b) Strategic Initiative 2 – Tourism Infrastructure Development Support Program (TIDSP);
- (c) Strategic Initiative 3 – Customer Relations Improvement Program (CRIP);
- (d) Strategic Initiative 4 – Business Development Program;
- (e) Strategic Initiative 5 – Facilities Improvement and Development Program (FIDP);
- (f) Strategic Initiative 6 – Comprehensive Human Resource Development Program;
- (g) Strategic Initiative 7 – Reorganization Program;
- (h) Strategic Initiative 8 – Integrated Information Systems Development Program (IISDP);
- (i) Strategic Initiative 9 - Quality Management Systems Development Program; and
- (j) Strategic Initiative 10 – Corporate Governance Program.

The Commitment herein includes obtaining all necessary approvals, if applicable, such as those for Major Development Projects under GCG MC No. 2013-03. TIEZA shall include updates on the foregoing Strategic Initiatives in its submission of quarterly monitoring reports to the GCG.

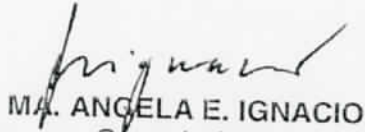
5. **Quarterly Submission of Performance Monitoring.** – TIEZA shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter using the monitoring report attached hereto as **Annex C**.



GOVERNANCE COMMISSION FOR  
GOCCs

BY AUTHORITY OF THE COMMISSION:

  
CESAR L. VILLANUEVA  
Chairman

  
M.A. ANGELA E. IGNACIO  
Commissioner

  
RAINIER B. BUTALID  
Commissioner

TOURISM INFRASTRUCTURE AND  
ENTERPRISE ZONE AUTHORITY

RAMON R. JIMENEZ, JR.  
DOT Secretary and Chairperson

MARK T. LAPID  
Chief Operating Officer and  
Vice-Chairperson

RAMON JESUS P. PAJE  
DENR Secretary and  
Ex-Officio Board Member

MANUEL A. ROXAS II  
DILG Secretary and  
Ex-Officio Board Member

ROGELIO L. SINGSON  
DPWH Secretary and  
Ex-Officio Board Member

LUWALHATI R. ANTONINO  
Mindanao Development Authority  
Chairperson and Ex-Officio Board  
Member

DOMINGO RAMON C. ENERIO III  
TPB Chief Operating Officer  
and Ex-Officio Board Member

CARLOS HONORIO B. ESTEPA, JR.  
Board Member

**LUCAS M. NUNAG**  
*Board Member*

**VIVIAN D. OTAZA**  
*Board Member*